

STATE OF NEW YORK

6431

2025-2026 Regular Sessions

IN ASSEMBLY

March 4, 2025

Introduced by M. of A. PALMESANO, BARCLAY, BLANKENBUSH, BRABENEC, DeSTEFANO, LEMONDES, MANKTELOW, MORINELLO, TAGUE, REILLY -- Multi-Sponsored by -- M. of A. DiPIETRO, FITZPATRICK, HAWLEY, MILLER, RA, WALSH -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law and the state finance law, in relation to providing for the deposit into the dedicated highway and bridge trust fund of a portion of the sales tax revenue from the sale of motor fuel; and to repeal certain provisions of the state finance law relating thereto

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

1 Section 1. Section 1148 of the tax law, as amended by section 6-a of
2 part G of chapter 59 of the laws of 2019, is amended to read as follows:
3 § 1148. Deposit and disposition of revenue. (a) All taxes, interest
4 and penalties collected or received by the commissioner under this arti-
5 cle shall be deposited and disposed of pursuant to the provisions of
6 section one hundred seventy-one-a of this chapter; provided however, the
7 comptroller shall on or before the twelfth day of each month, pay all
8 such taxes, interest and penalties collected under this article and
9 remaining to the comptroller's credit in such banks, banking houses or
10 trust companies at the close of business on the last day of the preced-
11 ing month, into the general fund of the state treasury.

12 (a-1) Provided however, before the funds may be distributed pursuant
13 to subdivision (a) of this section, one cent of the taxes collected or
14 received by the commissioner under this article for the retail sale of
15 each gallon of motor fuel shall be deposited in the special obligation
16 reserve and payment account of the dedicated highway and bridge trust
17 fund, established by section eighty-nine-b of the state finance law.

18 (b) Provided however, [~~before~~] after the funds [~~may be~~] are distrib-
19 uted pursuant to subdivision [~~(a)~~] (a-1) of this section but before such
20 funds are distributed pursuant to subdivision (a) of this section, such

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

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1 funds shall be distributed as otherwise provided in sections
2 ninety-two-d, ninety-two-h, and ninety-two-r of the state finance law
3 and sections eleven hundred two, eleven hundred four and eleven hundred
4 nine of this article.

5 (c) Provided however, after funds are distributed pursuant to [~~subdi-~~
6 ~~vision~~] subdivisions (a-1) and (b) of this section but before such funds
7 are distributed pursuant to subdivision (a) of this section, funds shall
8 be deposited by the comptroller into the New York central business
9 district trust fund established pursuant to section ninety-nine-ff of
10 the state finance law in accordance with the following schedule: (1) in
11 state fiscal year two thousand nineteen - two thousand twenty, one
12 hundred twelve million five hundred thousand dollars; (2) in state
13 fiscal year two thousand twenty - two thousand twenty-one, one hundred
14 fifty million dollars; and (3) in state fiscal year two thousand twen-
15 ty-one - two thousand twenty-two and every succeeding state fiscal year,
16 an amount equal to one hundred one percent of the amount deposited in
17 the immediately preceding state fiscal year. The funds deposited into
18 the New York central business district trust fund shall be deposited
19 monthly in equal installments.

20 § 2. Subdivision (a-1) of section 1148 of the tax law, as added by
21 section one of this act, is amended to read as follows:

22 (a-1) Provided however, before the funds may be distributed pursuant
23 to subdivision (a) of this section, [~~one-cent~~] two cents of the taxes
24 collected or received by the commissioner under this article for the
25 retail sale of each gallon of motor fuel shall be deposited in the
26 special obligation reserve and payment account of the dedicated highway
27 and bridge trust fund, established by section eighty-nine-b of the state
28 finance law.

29 § 3. Subdivision (a-1) of section 1148 of the tax law, as amended by
30 section two of this act, is amended to read as follows:

31 (a-1) Provided however, before the funds may be distributed pursuant
32 to subdivision (a) of this section, [~~two~~] three cents of the taxes
33 collected or received by the commissioner under this article for the
34 retail sale of each gallon of motor fuel shall be deposited in the
35 special obligation reserve and payment account of the dedicated highway
36 and bridge trust fund, established by section eighty-nine-b of the state
37 finance law.

38 § 4. Subdivision (a-1) of section 1148 of the tax law, as amended by
39 section three of this act, is amended to read as follows:

40 (a-1) Provided however, before the funds may be distributed pursuant
41 to subdivision (a) of this section, [~~three~~] four cents of the taxes
42 collected or received by the commissioner under this article for the
43 retail sale of each gallon of motor fuel shall be deposited in the
44 special obligation reserve and payment account of the dedicated highway
45 and bridge trust fund, established by section eighty-nine-b of the state
46 finance law.

47 § 5. Paragraph (a) of subdivision 3 of section 89-b of the state
48 finance law, as amended by section 4 of chapter 368 of the laws of 2019,
49 is amended to read as follows:

50 (a) The special obligation reserve and payment account shall consist
51 (i) of all moneys required to be deposited in the dedicated highway and
52 bridge trust fund pursuant to the provisions of sections two hundred
53 five, two hundred eighty-nine-e, three hundred one-j, five hundred
54 fifteen, eleven hundred forty-eight and eleven hundred sixty-seven of
55 the tax law, section four hundred one and article twelve-d of the vehi-
56 cle and traffic law, and section thirty-one of chapter fifty-six of the

1 laws of nineteen hundred ninety-three, (ii) all fees, fines or penalties
2 collected by the commissioner of transportation and the commissioner of
3 motor vehicles pursuant to section fifty-two, section three hundred
4 twenty-six, section eighty-eight of the highway law, subdivision fifteen
5 of section three hundred eighty-five of the vehicle and traffic law,
6 section two of part U1 of chapter sixty-two of the laws of two thousand
7 three, subdivision (d) of section three hundred four-a, paragraph one of
8 subdivision (a) and subdivision (d) of section three hundred five,
9 subdivision six-a of section four hundred fifteen and subdivision (g) of
10 section twenty-one hundred twenty-five of the vehicle and traffic law,
11 section fifteen of this chapter, excepting moneys deposited with the
12 state on account of betterments performed pursuant to subdivision twenty-
13 seven or subdivision thirty-five of section ten of the highway law,
14 and section one hundred forty-five of the transportation law, (iii) any
15 moneys collected by the department of transportation for services
16 provided pursuant to agreements entered into in accordance with section
17 ninety-nine-r of the general municipal law, and (iv) any other moneys
18 collected therefor or credited or transferred thereto from any other
19 fund, account or source.

20 § 6. Paragraph (a) of subdivision 3 of section 89-b of the state
21 finance law, as amended by section 5 of chapter 368 of the laws of 2019,
22 is amended to read as follows:

23 (a) The special obligation reserve and payment account shall consist
24 (i) of all moneys required to be deposited in the dedicated highway and
25 bridge trust fund pursuant to the provisions of sections two hundred
26 eighty-nine-e, three hundred one-j, five hundred fifteen, eleven hundred
27 forty-eight and eleven hundred sixty-seven of the tax law, section four
28 hundred one and article twelve-d of the vehicle and traffic law, and
29 section thirty-one of chapter fifty-six of the laws of nineteen hundred
30 ninety-three, (ii) all fees, fines or penalties collected by the commis-
31 sioner of transportation and the commissioner of motor vehicles pursuant
32 to section fifty-two, section three hundred twenty-six, section eighty-
33 eight of the highway law, subdivision fifteen of section three hundred
34 eighty-five of the vehicle and traffic law, section fifteen of this
35 chapter, excepting moneys deposited with the state on account of better-
36 ments performed pursuant to subdivision twenty-seven or subdivision
37 thirty-five of section ten of the highway law, and section one hundred
38 forty-five of the transportation law, (iii) any moneys collected by the
39 department of transportation for services provided pursuant to agree-
40 ments entered into in accordance with section ninety-nine-r of the
41 general municipal law, and (iv) any other moneys collected therefor or
42 credited or transferred thereto from any other fund, account or source.

43 § 7. Paragraph (a) of subdivision 3 of section 89-b of the state
44 finance law, as amended by section 8 of part UU of chapter 59 of the
45 laws of 2018, is REPEALED.

46 § 8. This act shall take effect April 1, 2025, provided, that:

47 (a) section two of this act shall take effect April 1, 2026;
48 (b) section three of this act shall take effect April 1, 2027;
49 (c) section four of this act shall take effect April 1, 2028; and
50 (d) the amendments to paragraph (a) of subdivision 3 of section 89-b
51 of the state finance law, made by section five of this act, shall be
52 subject to the expiration and reversion of such paragraph pursuant to
53 section 13 of part U1 of chapter 62 of the laws of 2003, as amended,
54 when upon such date the provisions of section six of this act shall take
55 effect.