STATE OF NEW YORK

6819

2025-2026 Regular Sessions

IN ASSEMBLY

March 14, 2025

Introduced by M. of A. WOERNER -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT in relation to directing the commissioner of taxation and finance to conduct a study of assessments, fees and tax rates, and associated policies of the state of New York relating to providers of telecommunications services

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

Section 1. Legislative findings. The legislature finds that as telecommunications technologies continue to evolve, their expansion throughout the state has led to increasing competition among entities both within and without the traditional regulatory approach of the department of public service, including but not limited to cable, satellite, wired, wireless and broadband service providers. Specifically, the ongoing modernization of the industry's service offerings and the delivery of those services, as well as the intersecting spheres of business occupied by all entities within the telecommunications industry, necessitate that the department, in consultation with the department of public service, conduct a comprehensive study and analysis of New York's state and local tax laws to provide a fair, efficient, and uniform method for taxing communications providers and their services sold in the state of New York. New York's tax law needs to be restructured with regard to state and local taxes, as necessary, to account for the impact of federal and state legislation, industry regulation, the impact of regulatory fees and assessments on total taxes paid, and the many and diverse providers offering functionally equivalent communications services in today's marketplace. The legislature further finds that, to both retain and attract business and customers, New York should strive to tax telecommunications industry providers in a uniform, consistent and nondiscriminatory manner which results in a neutral tax policy that will free consumers to choose a provider based on tax-neutral considerations. To do so,

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

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the legislature calls on the department of taxation and finance to make recommendations to streamline and simplify the existing system, which includes various assessments, fees and rates imposed at all levels of government, with an eye to refining the compliance process for communications providers and lowering the cost of collecting taxes and fees, increasing service availability and competition, spurring new technology expansion into all of New York, and fostering fair, healthy competition as broadly as possible.

§ 2. a. The commissioner of taxation and finance, in consultation with the department of public service, is hereby authorized and directed to conduct a study of assessments, fees and tax rates, and associated policies of the state of New York, relating to the telecommunications industry including, but not limited to the cable, satellite, wired, wireless and broadband industries of the state. In conducting this study, the commissioner of taxation and finance shall examine the fairness and equitableness of the current tax and assessment structures and their applicability to the several and diverse providers in the telecommunications industry and further assure that all end customers, regardless of the entity from which they purchase their service, bear a fair and proportional share of the assessment imposed for such service, as such commissioner may determine.

b. Such study shall include, but not be limited to, an examination of the taxation of telecommunications industry entities and all providers of communications services, whether or not regulated by the department of public service and a set of recommendations to streamline and simplify the existing system with an eye to refining the compliance process for communications providers, lowering the cost of collecting taxes and fees, increasing service availability, spurring new technology expansion into all of New York, and fostering fair, healthy competition as broadly as possible.

c. Upon completion of the study, but no later than the first of January, 2026, the commissioner of taxation and finance shall submit a report based on the findings of the study to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate, the minority leader of the assembly, the chair of the senate corporations, authorities and commissions committee, and the chair of the assembly corporations, authorities and commissions committee which shall include the findings of the study as well as recommendations for statutory changes that may be implemented to ensure a more fair and proportional distribution of the assessments, fees and taxes imposed on telecommunications industry providers and their end customers.

§ 3. This act shall take effect immediately.