

# STATE OF NEW YORK

10532

## IN SENATE

May 19, 2026

Introduced by Sen. HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to establishing a property tax offset in Ulster county

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

1 Section 1. The tax law is amended by adding a new article 30-C to read  
2 as follows:

### ARTICLE 30-C

#### ULSTER COUNTY PROPERTY TAX OFFSET

##### Section 1360. Definitions.

6 1361. Authority to impose surcharge.

7 1362. Persons subject to surcharge.

8 1363. Excess state tax; rate; thresholds.

9 1364. County resident, county nonresident and part-year county  
10 resident individuals.

11 1365. Returns and liabilities.

12 1366. Change of county resident status during taxable year.

13 1367. Estates and trusts.

14 1368. Partnerships, limited liability companies, corporations  
15 and exempt entities.

16 1369. Withholding from wages.

17 1370. Credit for surcharge withheld; estimated surcharge.

18 1371. Administration, enforcement, collection and review.

19 1372. Local law adoption, filing, effective date and repeal.

20 1373. Deposit and disposition of revenues.

21 1374. Regulations, forms and guidance.

22 1375. Severability.

23 1376. Duration of authority.

24 § 1360. Definitions. (a) Definitions. For purposes of this article:

25 (1) "County" means the county of Ulster.

26 (2) "Surcharge" means the Ulster county resident income tax surcharge  
27 authorized by this article.

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

LBD15934-01-6

1 (3) "Taxable year" has the same meaning as in article twenty-two of  
2 this chapter.

3 (4) "Article twenty-two return" means a New York state personal income  
4 tax return or fiduciary income tax return required under article twen-  
5 ty-two of this chapter.

6 (5) "Net state tax" means the sum of taxes imposed under article twen-  
7 ty-two of this chapter for the taxable year, less credits allowed under  
8 such article other than withholding, estimated tax payments, and refund-  
9 able credits.

10 (6) "Benchmark state tax" means the amount that would constitute the  
11 taxpayer's net state tax for the taxable year, determined using the  
12 taxpayer's actual filing status, deductions, exemptions, and credits  
13 otherwise allowable for that taxable year, if New York state taxable  
14 income were deemed equal to the applicable threshold amount and such  
15 other assumptions as the commissioner shall prescribe by regulation.

16 (7) "Excess state tax" means the excess, if any, of net state tax over  
17 benchmark state tax.

18 (8) "Applicable threshold amount" means: (A) for an individual not  
19 filing a joint return, two hundred thousand dollars; (B) for individuals  
20 filing a joint return, four hundred thousand dollars; and (C) for an  
21 estate or trust, zero dollars.

22 (b) Use of terms. Terms used in this article and not otherwise  
23 defined shall have the same meanings as when used in a comparable  
24 context in article twenty-two of this chapter, except where a different  
25 meaning is clearly required.

26 § 1361. Authority to impose surcharge. (a) General authority.  
27 Notwithstanding any other provision of law to the contrary, but subject  
28 to the limitations and conditions set forth in this article, Ulster  
29 county, acting through its county legislature, is hereby authorized and  
30 empowered to adopt, amend, and repeal local laws imposing a resident  
31 income tax surcharge.

32 (b) Local law required. No surcharge shall be imposed under this arti-  
33 cle unless Ulster county has adopted a local law in accordance with  
34 section thirteen hundred seventy-two of this article.

35 (c) Fixed rate. The surcharge authorized by this article shall be  
36 imposed at the fixed rate of sixteen and seventy-five hundredths percent  
37 of excess state tax. No local law adopted pursuant to this article shall  
38 impose any other rate or rate schedule.

39 (d) Fixed thresholds. Except with respect to estates and trusts, to  
40 which a threshold of zero applies, the surcharge authorized by this  
41 article shall apply only to New York state income tax assessed on  
42 incomes above two hundred thousand dollars for an individual not filing  
43 a joint return under article twenty-two of this chapter and above four  
44 hundred thousand dollars for individuals filing a joint return under  
45 article twenty-two of this chapter.

46 (e) No local variations. No local law adopted pursuant to this article  
47 shall create county-specific deductions, exemptions, exclusions, addi-  
48 tions, subtractions, credits, alternative tax bases or other variations  
49 from the tax base, rate, thresholds, persons subject to surcharge, with-  
50 holding requirements, administrative provisions or taxpayer remedies set  
51 forth in this article unless expressly authorized by state law.

52 (f) No reduction of state tax. The surcharge shall not reduce, offset  
53 or otherwise affect a taxpayer's liability for any tax imposed under  
54 article twenty-two of this chapter.

55 (g) Prospective application. No surcharge, amendment, repeal, expira-  
56 tion or termination adopted pursuant to this article shall apply

1 retroactively. Any such local law, amendment, repeal, expiration or  
2 termination shall take effect only on the first day of January of a  
3 taxable year and shall apply only to taxable years beginning on or after  
4 such effective date; provided, however, that no surcharge shall apply to  
5 any taxable year beginning before the local law imposing such surcharge  
6 has been finally adopted and filed as required by this article and by  
7 applicable law.

8 (h) No nonresident income tax. This article shall not authorize Ulster  
9 county to impose a tax, surcharge or other liability upon a county  
10 nonresident individual, county nonresident estate or county nonresident  
11 trust solely by reason of income derived from sources within Ulster  
12 county.

13 § 1362. Persons subject to surcharge. (a) County residents. For each  
14 taxable year for which a local law adopted pursuant to this article is  
15 in effect, the surcharge shall be imposed on every county resident indi-  
16 vidual, county resident estate and county resident trust that has excess  
17 state tax greater than zero and is required to file an article twenty-  
18 two return for such taxable year.

19 (b) Part-year county residents. A part-year county resident individual  
20 or part-year county resident trust shall be subject to the surcharge  
21 only for the portion of the taxable year during which such individual or  
22 trust was a county resident, computed in accordance with section thir-  
23 teen hundred sixty-six of this article.

24 (c) Nonresidents excluded. No surcharge shall be imposed under this  
25 article on a county nonresident individual, county nonresident estate or  
26 county nonresident trust solely by reason of income, gain, loss,  
27 deduction, employment, business activity, real property, tangible prop-  
28 erty, intangible property or other economic activity within Ulster coun-  
29 ty.

30 (d) No separate county filing obligation for nonfilers. No individual,  
31 estate or trust shall be required to file a return solely by reason of  
32 this article if such individual, estate or trust is not otherwise  
33 required to file an article twenty-two return, except that a return may  
34 be filed to claim a refund or credit of amounts withheld or paid pursu-  
35 ant to this article.

36 (e) Taxable year. A taxpayer's taxable year for purposes of the  
37 surcharge shall be the same as such taxpayer's taxable year under arti-  
38 cle twenty-two of this chapter.

39 § 1363. Excess state tax; rate; thresholds. (a) Rate. The surcharge  
40 shall equal sixteen and seventy-five hundredths percent of excess state  
41 tax.

42 (b) Individuals. For an individual, excess state tax shall be computed  
43 by subtracting benchmark state tax from net state tax, not less than  
44 zero.

45 (c) Estates and trusts. For a county resident estate or trust, excess  
46 state tax shall equal net state tax, not less than zero.

47 (d) Part-year county residents. When an individual or trust changes  
48 county resident status during the taxable year, net state tax and bench-  
49 mark state tax for the county resident period shall be computed under  
50 rules substantially similar to the provisions of section thirteen  
51 hundred twenty-seven of this chapter, adapted to this article. The  
52 commissioner may prescribe special rules where the standard formula  
53 yields an inequitable or indeterminate result.

54 (e) Commissioner authority. The commissioner shall promulgate regu-  
55 lations for the computation of benchmark state tax. Such regulations  
56 shall provide rules for joint returns, spouses with different county

1 resident status, part-year county residents, estates and trusts, sepa-  
2 rate taxes, minimum taxes, additions to tax, credits, recaptures, and  
3 any other item necessary to compute benchmark state tax in a manner  
4 consistent with this article and article twenty-two of this chapter.

5 § 1364. County resident, county nonresident and part-year county resi-  
6 dent individuals. (a) County resident individual. A county resident  
7 individual means an individual:

8 (1) who is domiciled in Ulster county, unless:

9 (A) the taxpayer maintains no permanent place of abode in Ulster coun-  
10 ty or maintains a permanent place of abode elsewhere and spends in the  
11 aggregate not more than thirty days of the taxable year in Ulster coun-  
12 ty; or

13 (B) within any period of five hundred forty-eight consecutive days,  
14 the taxpayer is present in a foreign country or countries for at least  
15 four hundred fifty days, and during such period the taxpayer, the  
16 taxpayer's spouse, unless legally separated, and the taxpayer's minor  
17 children are not present in Ulster county for more than ninety days, and  
18 during any portion of the taxable year within which such five hundred  
19 forty-eight-day period begins or ends the taxpayer's presence in Ulster  
20 county does not exceed a proportionate part of ninety days as determined  
21 under regulations of the commissioner; or

22 (2) who maintains a permanent place of abode in Ulster county and  
23 spends in the aggregate more than one hundred eighty-three days of the  
24 taxable year in Ulster county, whether or not domiciled in Ulster county  
25 for any portion of the taxable year, unless such individual is in active  
26 service in the armed forces of the United States.

27 (b) County nonresident individual. A county nonresident individual  
28 means an individual who is not a county resident individual or part-year  
29 county resident individual.

30 (c) Part-year county resident individual. A part-year county resident  
31 individual means an individual who is not a county resident individual  
32 or county nonresident individual for the entire taxable year.

33 (d) Permanent place of abode. The term "permanent place of abode" has  
34 the same meaning as under article twenty-two of this chapter and the  
35 regulations and guidance of the commissioner thereunder shall apply to  
36 this article by substituting "Ulster county" for "New York state" or  
37 "this state" where appropriate.

38 (e) Days spent in county. In determining days spent in Ulster county,  
39 the commissioner shall apply rules consistent with article twenty-two of  
40 this chapter and the regulations thereunder, including rules governing  
41 presence for part of a day, travel through the jurisdiction, medical  
42 treatment, military service and other exceptions recognized under state  
43 personal income tax residency rules.

44 § 1365. Returns and liabilities. (a) General. Every county resident  
45 individual, county resident estate or county resident trust subject to  
46 surcharge under this article shall report and pay the surcharge as part  
47 of the return required under article twenty-two of this chapter, in such  
48 manner and on such forms as the commissioner shall prescribe.

49 (b) Joint returns; both spouses county residents. Where spouses file a  
50 joint return under article twenty-two of this chapter and both spouses  
51 are county residents for the entire taxable year, the surcharge shall be  
52 computed on the joint excess state tax using the threshold amount appli-  
53 cable to individuals filing a joint return, and both spouses shall be  
54 jointly and severally liable for the surcharge.

1 (c) Joint returns; one spouse county resident. Where spouses file a  
2 joint return under article twenty-two of this chapter and only one  
3 spouse is a county resident or part-year county resident:

4 (1) the spouses may elect to compute the surcharge as though both  
5 spouses were county residents for the taxable year or relevant portion  
6 thereof, in which case both spouses shall be jointly and severally  
7 liable for the surcharge; or

8 (2) absent such election, the county resident spouse shall compute  
9 surcharge liability separately, in such manner as the commissioner shall  
10 prescribe, as if separate federal and New York state returns had been  
11 filed, and the threshold amount applicable to individuals not filing a  
12 joint return shall apply. The nonresident spouse shall not be liable for  
13 the surcharge except with respect to amounts withheld or paid on such  
14 spouse's behalf.

15 (d) Separate returns. Where spouses file separate returns under arti-  
16 cle twenty-two of this chapter, the surcharge shall be computed sepa-  
17 rately and the threshold amount applicable to individuals not filing a  
18 joint return shall apply.

19 (e) Decedents. The return for a deceased individual shall be made and  
20 filed by the executor, administrator or other person charged with the  
21 property of the decedent, in the same manner as provided under article  
22 twenty-two of this chapter.

23 (f) Liability. The surcharge imposed by this article shall be a tax  
24 for purposes of assessment, collection, enforcement, refund, interest,  
25 penalty, lien, secrecy, administrative review and judicial review under  
26 article twenty-two of this chapter, except as otherwise provided in this  
27 article.

28 § 1366. Change of county resident status during taxable year. (a)  
29 Individuals. If an individual changes status during the taxable year  
30 from county resident to county nonresident, or from county nonresident  
31 to county resident, such individual shall compute surcharge liability  
32 only for the period during which the individual was a county resident,  
33 subject to such exceptions and rules as the commissioner may prescribe.

34 (b) Trusts. If the status of a trust changes during its taxable year  
35 from county resident trust to county nonresident trust, or from county  
36 nonresident trust to county resident trust, the fiduciary shall compute  
37 surcharge liability only for the period during which the trust was a  
38 county resident trust, subject to such exceptions and rules as the  
39 commissioner may prescribe.

40 (c) Special rules. If the computation under this section produces an  
41 inequitable, indeterminate or administratively impracticable result, the  
42 commissioner may prescribe alternative methods reasonably calculated to  
43 reflect the taxpayer's county resident period.

44 § 1367. Estates and trusts. (a) County resident estate. A county resi-  
45 dent estate means the estate of a decedent who, at death, was domiciled  
46 in Ulster county.

47 (b) County resident trust. A county resident trust means a trust, or  
48 portion of a trust:

49 (1) consisting of property transferred by will of a decedent who, at  
50 death, was domiciled in Ulster county;

51 (2) consisting of property of a person domiciled in Ulster county at  
52 the time such property was transferred to the trust, if such trust or  
53 portion of a trust was then irrevocable, or if it was then revocable and  
54 has not subsequently become irrevocable; or

55 (3) consisting of property of a person domiciled in Ulster county at  
56 the time such trust or portion of a trust became irrevocable, if it was

1 revocable when such property was transferred to the trust but subse-  
2 quently became irrevocable.

3 (c) Resident trust exclusion. A county resident trust shall not be  
4 subject to a surcharge under this article for a taxable year if all of  
5 the following conditions are satisfied for such taxable year:

6 (1) all trustees are domiciled outside Ulster county;

7 (2) the entire corpus of the trust, including real property and tangi-  
8 ble personal property, is located outside Ulster county; and

9 (3) all income and gains of the trust are derived from or connected  
10 with sources outside Ulster county, determined as if the trust were a  
11 county nonresident trust.

12 (d) County nonresident estate or trust. A county nonresident estate or  
13 county nonresident trust means an estate or trust that is not a county  
14 resident estate, county resident trust or part-year county resident  
15 trust.

16 (e) Part-year county resident trust. A part-year county resident trust  
17 means a trust that is not a county resident trust or county nonresident  
18 trust for the entire taxable year.

19 (f) No income threshold. The threshold amounts specified in subpara-  
20 graph (B) of paragraph eight of subsection (a) of section thirteen  
21 hundred sixty of this article, that are above zero, apply only to indi-  
22 viduals and shall not apply to estates or trusts.

23 (g) Fiduciary compliance. A fiduciary of an estate or trust subject to  
24 this article shall file returns, make payments, claim refunds and main-  
25 tain records in the same manner as required under article twenty-two of  
26 this chapter, as modified by this article and by regulations or  
27 instructions of the commissioner.

28 (h) Conformity with article twenty-two. Except as otherwise provided  
29 in this section, the rules governing resident estates, resident trusts,  
30 nonresident estates, nonresident trusts and part-year resident trusts  
31 under article twenty-two of this chapter shall apply for purposes of  
32 this article, with such substitutions and modifications as the commis-  
33 sioner shall prescribe.

34 § 1368. Partnerships, limited liability companies, corporations and  
35 exempt entities. (a) Partnerships. A partnership shall not be subject  
36 to the surcharge at the entity level. Persons carrying on business as  
37 partners shall be liable for the surcharge only in their individual,  
38 estate or trust capacities, as applicable.

39 (b) Limited liability companies. For purposes of this article, a  
40 limited liability company treated as a partnership for federal income  
41 tax purposes shall be treated as a partnership, and a limited liability  
42 company disregarded for federal income tax purposes shall be disregarded  
43 in the same manner as under article twenty-two of this chapter.

44 (c) Information reporting. The commissioner may require partnerships,  
45 limited liability companies and other pass-through entities to furnish  
46 such information as the commissioner deems necessary to administer and  
47 enforce this article.

48 (d) Corporations. Entities taxable as corporations for federal income  
49 tax purposes shall not be subject to the surcharge imposed by this arti-  
50 cle.

51 (e) Exempt entities. Entities exempt from federal income tax shall not  
52 be subject to the surcharge imposed by this article, except to the  
53 extent a person otherwise subject to this article is taxable under arti-  
54 cle twenty-two of this chapter with respect to income, gain or other  
55 items associated with such entity.

1 § 1369. Withholding from wages. (a) General. Every employer required  
2 to deduct and withhold tax from wages under article twenty-two of this  
3 chapter shall, with respect to wages paid to an employee who is a county  
4 resident, deduct and withhold the surcharge authorized by this article  
5 in such manner as the commissioner shall prescribe.

6 (b) Tables and methods. The commissioner shall prescribe withholding  
7 tables, percentage methods, electronic methods, forms, certificates and  
8 instructions necessary to implement withholding under this article,  
9 including tables and methods that take account of the fixed rate and  
10 threshold amounts specified in this article.

11 (c) Certificate of county residence. The commissioner may require  
12 employees to furnish employers with a certificate of county residence or  
13 nonresidence in such form and manner as the commissioner shall  
14 prescribe.

15 (d) Employer safe harbor. An employer that withholds or does not with-  
16 hold in good faith reliance on the employee's most recent certificate of  
17 county residence or nonresidence shall not be liable for underwithhold-  
18 ing under this article unless the employer had actual knowledge that  
19 such certificate was false or materially inaccurate.

20 (e) Employee liability preserved. No safe harbor provided to an  
21 employer under subsection (d) of this section shall relieve an employee  
22 of liability for surcharge, penalty or interest otherwise due under this  
23 article.

24 (f) False certificates. A false or materially inaccurate certificate  
25 of county residence or nonresidence shall be subject to the penalties  
26 applicable to false or fraudulent statements under article twenty-two of  
27 this chapter.

28 § 1370. Credit for surcharge withheld; estimated surcharge. (a) Credit  
29 allowed. Amounts withheld or paid as estimated surcharge shall be cred-  
30 ited against surcharge liability.

31 (b) No reduction of income. Amounts withheld pursuant to this article  
32 shall be treated solely as payments on account and shall not alter the  
33 computation of net state tax, benchmark state tax, excess state tax, or  
34 surcharge liability.

35 (c) Refunds. If the amount withheld or otherwise paid under this arti-  
36 cle exceeds surcharge liability, the excess shall be refunded or credit-  
37 ed in the same manner as overpayments under article twenty-two of this  
38 chapter, subject to lawful offsets and section thirteen hundred seven-  
39 ty-three of this article.

40 (d) Estimated surcharge. Taxpayers subject to the surcharge imposed  
41 pursuant to this article shall make payments of estimated surcharge in  
42 the same manner, at the same times and subject to the same rules as  
43 estimated tax payments under article twenty-two of this chapter.

44 (e) First-year relief. For the first taxable year for which a local  
45 law adopted pursuant to this article is effective, no addition to tax  
46 shall be imposed for underpayment of estimated surcharge to the extent  
47 the underpayment is attributable to the initial adoption of such local  
48 law and the taxpayer acted in good faith under rules prescribed by the  
49 commissioner.

50 § 1371. Administration, enforcement, collection and review. (a) State  
51 administration. Except as otherwise provided in this article, the  
52 surcharge imposed pursuant to this article shall be administered and  
53 collected by the commissioner in the same manner as the tax imposed  
54 under article twenty-two of this chapter. The commissioner shall  
55 prescribe worksheets, forms, and electronic reporting specifications  
56 required to compute benchmark state tax and excess state tax.

1 (b) Incorporation of article twenty-two. All provisions of article  
2 twenty-two of this chapter relating to or applicable to payment of esti-  
3 ated tax, returns, filing requirements, payment, withholding, employer  
4 statements and returns, employer liability for taxes required to be  
5 withheld, assessment, collection, refunds, credits, offsets, interest,  
6 civil and criminal penalties, secrecy, limitations periods, liens,  
7 warrants, administrative review and judicial review shall apply to the  
8 surcharge imposed pursuant to this article with the same force and  
9 effect as if such provisions had been incorporated in full into this  
10 article and had expressly referred to the surcharge, except where incon-  
11 sistent with this article.

12 (c) Enforcement with other taxes. The commissioner may enforce  
13 collection of the surcharge jointly with taxes imposed under article  
14 twenty-two of this chapter and with any other state-administered local  
15 income taxes.

16 (d) Combined filings and payments. The commissioner may require  
17 combined returns, combined employer returns, combined estimated tax  
18 payments, combined payment vouchers and combined electronic filings for  
19 purposes of article twenty-two of this chapter and this article.

20 (e) Application of payments. Where the commissioner receives a single  
21 payment or collection with respect to state personal income tax and one  
22 or more state-administered local income taxes or surcharges, such  
23 payment or collection shall be applied proportionately or in such other  
24 manner as the commissioner shall prescribe by regulation or instruction.

25 (f) Liens and warrants. Liens, warrants, levies, income executions and  
26 other collection devices available under article twenty-two of this  
27 chapter shall apply to surcharge liabilities under this article with the  
28 same force and effect as if the surcharge were imposed under article  
29 twenty-two of this chapter.

30 (g) Future amendments. Any amendment to article twenty-two of this  
31 chapter enacted after the effective date of this article shall, to the  
32 extent applicable to the surcharge imposed under this article, be deemed  
33 incorporated into the analogous provision or provisions of this article  
34 and any local law adopted pursuant to this article, unless the legisla-  
35 ture expressly provides otherwise.

36 (h) Review. All determinations, notices, assessments, refund denials  
37 and other acts of the commissioner under this article shall be review-  
38 able in the same manner as comparable determinations, notices, assess-  
39 ments, refund denials and acts under article twenty-two of this chapter.

40 (i) County not tax administrator. Ulster county shall not audit,  
41 assess, collect, compromise, refund, enforce or issue binding interpre-  
42 tations regarding the surcharge, except to the extent expressly author-  
43 ized by the commissioner or by state law.

44 § 1372. Local law adoption, filing, effective date and repeal. (a)  
45 Required contents. A local law adopted pursuant to this article shall:

- 46 (1) state that it is adopted pursuant to this article;
- 47 (2) state that the surcharge is imposed at the fixed rate of sixteen  
48 and seventy-five hundredths percent of excess state tax;
- 49 (3) specify the taxable years for which it applies;
- 50 (4) specify any sunset date or termination provision, if applicable;
- 51 (5) provide that the surcharge shall be administered, collected, and  
52 enforced by the commissioner;
- 53 (6) provide that all definitions and administrative provisions of this  
54 article shall apply; and
- 55 (7) specify whether revenues shall be deposited in the county general  
56 fund or in another fund or account authorized by law.

1 (b) Prohibited local variations. A local law adopted pursuant to this  
2 article shall not vary the definitions, fixed rate, threshold amounts,  
3 tax base, treatment of estates and trusts, filing obligations, enforce-  
4 ment provisions, withholding rules, remittance rules or taxpayer reme-  
5 dies set forth in this article, except as expressly authorized by this  
6 article.

7 (c) Filing under municipal home rule law. A local law adopted pursuant  
8 to this article shall be filed in accordance with section twenty-seven  
9 of the municipal home rule law. The filing requirements of this article  
10 are in addition to, and not in lieu of, any filing requirements imposed  
11 by the municipal home rule law.

12 (d) Additional filing with state officers. No local law or amendment  
13 adopted pursuant to this article shall apply to any taxable year unless  
14 a certified copy of such law or amendment is filed with: (1) the clerk  
15 of the Ulster county legislature or such other officer designated by the  
16 county legislature; (2) the Ulster county clerk; (3) the secretary of  
17 state; (4) the state comptroller; and (5) the commissioner. Such filing  
18 shall be completed not less than one hundred eighty days before the  
19 first day of the taxable year to which such local law or amendment  
20 applies, unless the commissioner waives or reduces such period in writ-  
21 ing upon a determination that such waiver or reduction is consistent  
22 with the commissioner's duties under this article.

23 (e) Effective date. A local law adopted pursuant to this article shall  
24 take effect only on the first day of January of a taxable year and shall  
25 apply only to taxable years beginning on or after such date.

26 (f) Amendments. Any amendment to a local law adopted pursuant to this  
27 article shall take effect only on the first day of January of a taxable  
28 year and shall apply only to taxable years beginning on or after such  
29 date. No amendment shall change the surcharge rate, threshold amounts,  
30 excess state tax base or the treatment of estates and trusts prescribed  
31 by this article.

32 (g) Repeal, expiration or termination. A repeal, expiration or sunset  
33 of a local law adopted pursuant to this article shall not affect liabil-  
34 ities, withholding obligations, estimated tax obligations, filings,  
35 audits, assessments, collections, refunds, penalties, interest, adminis-  
36 trative proceedings or judicial proceedings for taxable years during  
37 which the local law was in effect.

38 (h) Administrative notice. After receipt of a certified copy of a  
39 local law or amendment adopted pursuant to this article, the commis-  
40 sioner shall issue such notices, forms, instructions, withholding tables and  
41 electronic filing specifications as the commissioner deems necessary.  
42 Failure to issue any such notice, form, instruction, table or specifica-  
43 tion by a particular date shall not invalidate the local law, but the  
44 commissioner may provide reasonable transition relief from penalties or  
45 additions to tax attributable to delayed administrative implementation.

46 § 1373. Deposit and disposition of revenues. (a) Deposit in trust.  
47 All revenue collected by the commissioner from the surcharge imposed  
48 pursuant to this article shall be deposited daily with such responsible  
49 banks, banking houses or trust companies as may be designated by the  
50 state comptroller, to the credit of the comptroller, in trust for Ulster  
51 county.

52 (b) Separate trust funds. Such deposits shall be kept in trust and  
53 separate and apart from all other moneys in the possession of the comp-  
54 troller. The comptroller shall require adequate security from all depos-  
55 itories of such revenue.

1 (c) Refunds and administrative costs. The comptroller shall retain in  
2 the comptroller's hands such amount as the commissioner may determine to  
3 be necessary for refunds, lawful credits, lawful offsets and the reason-  
4 able costs of the commissioner in administering, collecting and distrib-  
5 uting the surcharge.

6 (d) Payment of refunds. The comptroller shall pay refunds of the  
7 surcharge to which taxpayers are entitled under this article or article  
8 twenty-two of this chapter from amounts retained pursuant to subsection  
9 (c) of this section.

10 (e) Offsets. Before remitting revenues to Ulster county, the comp-  
11 troller shall pay or credit any overpayments, and interest on such over-  
12 payments, required to be offset or credited under state law, including  
13 offsets certified by the commissioner under article twenty-two of this  
14 chapter or other applicable law.

15 (f) Monthly remittance. After reserving amounts required under  
16 subsections (c), (d), and (e) of this section, the comptroller shall, on  
17 or before the fifteenth day of each month, pay to the chief fiscal offi-  
18 cer of Ulster county the balance of surcharge revenues collected and  
19 available for distribution.

20 (g) Use of revenues. Revenues remitted to Ulster county pursuant to  
21 this section shall be paid into the county treasury and used for county  
22 purposes as provided by local law, subject to the state constitution,  
23 the local finance law, the county law and any other applicable provision  
24 of law.

25 (h) Reports. The commissioner and the comptroller may provide Ulster  
26 county with periodic reports concerning surcharge collections, refunds,  
27 administrative costs and distributions, provided that no report shall  
28 disclose confidential taxpayer information except as authorized by law.

29 § 1374. Regulations, forms and guidance. (a) Commissioner authority.  
30 The commissioner may promulgate regulations and issue forms,  
31 instructions, notices, publications, withholding tables, electronic  
32 filing specifications and other guidance necessary to administer this  
33 article.

34 (b) Uniform administration. In administering this article, the commis-  
35 sioner may conform procedures and forms to those used for article twen-  
36 ty-two of this chapter and other state-administered local income taxes,  
37 to the extent practicable.

38 (c) Residence certificates. The commissioner may prescribe certif-  
39 icates of county residence and nonresidence for employees, withholding  
40 agents, fiduciaries and other persons as necessary to administer with-  
41 holding and filing obligations under this article.

42 (d) Transitional rules. The commissioner may prescribe transitional  
43 rules for the first taxable year in which a local law adopted pursuant  
44 to this article is effective, including rules for withholding, estimated  
45 tax, employer implementation, electronic filing, amended returns and  
46 penalty relief.

47 § 1375. Severability. If any clause, sentence, paragraph, subsection,  
48 section or part of this article, or the application thereof to any  
49 person, taxpayer, employer, fiduciary, entity or circumstance, shall be  
50 adjudged by any court of competent jurisdiction to be invalid, such  
51 judgment shall not affect, impair or invalidate the remainder of this  
52 article or its application to other persons or circumstances, but shall  
53 be confined in its operation to the clause, sentence, paragraph,  
54 subsection, section or part directly involved in the controversy in  
55 which such judgment shall have been rendered.

1 § 1376. Duration of authority. The authority granted by this article  
2 shall continue until repealed by act of the legislature. Any local law  
3 adopted pursuant to this article may include a sunset date or termi-  
4 nation provision, and Ulster county may repeal or amend such local law  
5 in accordance with this article.

6 § 2. This act shall take effect immediately; provided, however, that  
7 no surcharge shall be imposed pursuant to article thirty-C of the tax  
8 law unless and until Ulster county has adopted a local law satisfying  
9 the requirements of such article.