

STATE OF NEW YORK

2024--A

2025-2026 Regular Sessions

IN SENATE

January 15, 2025

Introduced by Sens. KRUEGER, GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Cities 1 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the administrative code of the city of New York, in relation to authorizing the independent budget office of the city of New York to obtain certain tax data for purposes of evaluation

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

1 Section 1. Subdivision 1 of section 11-538 of the administrative code
2 of the city of New York, as amended by chapter 808 of the laws of 1992,
3 is amended to read as follows:
4 1. Except in accordance with proper judicial order or as otherwise
5 provided by law, it shall be unlawful for the commissioner of finance,
6 the department of finance of the city, any officer or employee of the
7 department of finance of the city, any person engaged or retained by
8 such department on an independent contract basis, any depository to
9 which any return may be delivered as provided in subdivision four of
10 this section, any officer or employee of such depository, the tax
11 appeals tribunal, any commissioner or employee of such tribunal, or any
12 person who, pursuant to this section, is permitted to inspect any report
13 or return or to whom a copy, an abstract or a portion of any report or
14 return is furnished, or to whom any information contained in any report
15 or return is furnished, to divulge or make known in any manner the
16 amount of income or any particulars set forth or disclosed in any report
17 or return required under this chapter. The officers charged with the
18 custody of such reports and returns shall not be required to produce any
19 of them or evidence of anything contained in them in any action or
20 proceeding in any court, except on behalf of the city in an action or
21 proceeding under the provisions of this chapter or in any other action
22 or proceeding involving the collection of a tax due under this chapter

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

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1 to which the city is a party or a claimant, or on behalf of any party to
2 any action or proceeding under the provisions of this chapter when the
3 reports, returns or facts shown thereby are directly involved in such
4 action or proceeding, in any of which events the court may require the
5 production of, and may admit in evidence, so much of said reports,
6 returns or of the facts shown thereby, as are pertinent to the action or
7 proceeding and no more. Nothing herein shall be construed to prohibit
8 the delivery to a taxpayer or to the taxpayer's duly authorized repre-
9 sentative of a certified copy of any return or report filed in
10 connection with ~~[his or her]~~ the tax due or to prohibit the publication
11 of statistics so classified as to prevent the identification of partic-
12 ular reports or returns and the items thereof, or the inspection by the
13 corporation counsel or other legal representatives of the city of the
14 report or return of any taxpayer who shall bring action to set aside or
15 review the tax based thereon, or against whom an action or proceeding
16 under this chapter has been recommended by the commissioner of finance
17 or the corporation counsel or has been instituted, or the inspection of
18 the reports or returns required under this chapter by the duly desig-
19 nated officers or employees of the city for purposes of an audit under
20 this chapter or an audit authorized by the enacting of this chapter, or
21 the inspection of the reports or returns of any taxpayer by the inde-
22 pendent budget office of the city of New York, or the entity designated
23 to be the evaluator pursuant to section 11-2901 of this title, for
24 purposes of a tax expenditure evaluation authorized by such section.
25 Reports and returns shall be preserved for three years and thereafter
26 until the commissioner of finance orders them to be destroyed.

27 § 2. Subdivision 1 of section 11-688 of the administrative code of the
28 city of New York, as amended by chapter 808 of the laws of 1992, is
29 amended to read as follows:

30 1. Except in accordance with proper judicial order or as otherwise
31 provided by law, it shall be unlawful for the commissioner of finance,
32 the department of finance of the city, any officer or employee of the
33 department of finance of the city, the tax appeals tribunal, any commis-
34 sioner or employee of such tribunal, any person who, pursuant to this
35 section, is permitted to inspect any report or return, or to whom any
36 information contained in any report or return is furnished, any person
37 engaged or retained by such department on an independent contract basis,
38 or any person who in any manner may acquire knowledge of the contents of
39 a report filed pursuant to this chapter, to divulge or make known in any
40 manner the amount of income or any particulars set forth or disclosed in
41 any report or return, under this chapter. The officers charged with the
42 custody of such reports and returns shall not be required to produce any
43 of them or evidence of anything contained in them in any action or
44 proceeding in any court, except on behalf of the city in an action or
45 proceeding involving the collection of a tax due under this chapter to
46 which the city is a party or a claimant, or on behalf of any party to
47 any action or proceeding under the provisions of this chapter when the
48 reports, returns or facts shown thereby are directly involved in such
49 action or proceeding, in any of which events the court may require the
50 production of, and may admit in evidence, so much of said reports or
51 returns or of facts shown thereby as are pertinent to the action or
52 proceeding, and no more. Nothing herein shall be construed to prohibit
53 the delivery to a taxpayer or its duly authorized representative of a
54 copy of any report filed by it, nor to prohibit the publication of
55 statistics so classified as to prevent the identification of particular
56 reports or returns and the items thereof, or the inspection by the

1 corporation counsel or other legal representatives of the city of the
2 report or return of any taxpayer which shall bring action to set aside
3 or review the tax based thereon, or against which an action or proceed-
4 ing under this chapter or under any local law of the city imposed as
5 authorized by the act authorizing the adoption of this chapter has been
6 recommended by the commissioner of finance or the corporation counsel or
7 has been instituted, or the inspection of the reports or returns of any
8 taxpayer by the duly designated officers or employees of the city for
9 purposes of an audit under this chapter or an audit authorized by the
10 act authorizing the adoption of this chapter, or the inspection of the
11 reports or returns of any taxpayer by the independent budget office of
12 the city of New York, or the entity designated to be the evaluator
13 pursuant to section 11-2901 of this title, for purposes of a tax expend-
14 iture evaluation authorized by such section; and nothing in this
15 subchapter or chapter eleven of this title shall be construed to prohib-
16 it the publication of the issuer's allocation percentage, as defined in
17 subparagraph one of paragraph (b) of subdivision three of section 11-604
18 of this chapter, of any corporation which may be required to be allo-
19 cated within the city for purposes of the tax imposed by any of the
20 named subchapters or chapter eleven of this title.

21 § 3. Subdivision a of section 11-1116 of the administrative code of
22 the city of New York, as amended by chapter 808 of the laws of 1992, is
23 amended to read as follows:

24 a. Except in accordance with proper judicial order or as otherwise
25 provided by law, it shall be unlawful for the commissioner of finance,
26 the tax appeals tribunal, or any officer or employee of the department
27 of finance or the tax appeals tribunal to divulge or make known in any
28 manner, the receipts or any other information relating to the business
29 of a taxpayer contained in any return required under this chapter. The
30 officers charged with the custody of such returns shall not be required
31 to produce any of them or evidence of anything contained in them in any
32 action or proceeding in any court, except on behalf of the city or the
33 commissioner of finance, or on behalf of any party to any action or
34 proceeding under the provisions of this chapter when the returns or
35 facts shown thereby are directly involved in such action or proceeding,
36 in either of which events, the court may require the production of, and
37 may admit in evidence, so much of said returns or of the facts shown
38 thereby, as are pertinent to the action or proceeding and no more. Noth-
39 ing herein shall be construed to prohibit the delivery to a taxpayer or
40 ~~[his or her]~~ the taxpayer's duly authorized representative of a certi-
41 fied copy of any return filed in connection with ~~[his or her]~~ the tax
42 due, nor to prohibit the publication of statistics so classified as to
43 prevent the identification of particular returns and the items thereof,
44 or the inspection by the corporation counsel of the city or other legal
45 representatives of such city of the return of any taxpayer who shall
46 bring action or proceeding to set aside or review the tax based thereon,
47 or against whom an action or proceeding has been instituted or is
48 contemplated for the collection of a tax, penalty or interest, or the
49 inspection of the reports or returns of any taxpayer by the independent
50 budget office of the city of New York, or the entity designated to be
51 the evaluator pursuant to section 11-2901 of this title, for purposes of
52 a tax expenditure evaluation authorized by such section. Returns shall
53 be preserved for three years and thereafter until the commissioner of
54 finance permits them to be destroyed.

55 § 4. In addition to the appropriation available pursuant to section
56 259 of the New York city charter, and any appropriation available pursu-

1 ant to section 2590-u of the education law, the city of New York shall
2 appropriate during each fiscal year an amount to the independent budget
3 office of the city of New York not less than one per centum of the
4 appropriations available to pay for the expenses of the office of
5 management and budget of the city of New York during each fiscal year,
6 to carry out the duties and functions assigned in this act.
7 § 5. This act shall take effect immediately.