

STATE OF NEW YORK

4489

2025-2026 Regular Sessions

IN SENATE

February 5, 2025

Introduced by Sens. KRUEGER, HOYLMAN-SIGAL -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to creating an excise tax on the collection of consumer data by commercial data collectors

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 section 186-h to
2 read as follows:

3 § 186-h. Excise tax on the collection of consumer data by commercial
4 data collectors. 1. Imposition of tax. There is hereby imposed a monthly
5 excise tax on the collection of the consumer data of individual New York
6 consumers by commercial data collectors. The tax shall apply regardless
7 of the format, electronic or otherwise, in which the consumer data is
8 collected by the commercial data collector.

9 2. Definitions. As used in this section:

10 (a) The words "commercial data collector" mean a for-profit entity
11 that:

12 (i) collects, maintains, uses, processes, sells or shares consumer
13 data in support of its business activities; and

14 (ii) collects consumer data, other than consumer contact information,
15 on more than one million individual New York consumers in a month within
16 the calendar year.

17 (b) The word "consumer" means an individual who purchases goods or
18 services from a commercial data collector or uses the services of a
19 commercial data collector, whether charged for those services or not.

20 (c) The words "consumer contact information" mean (i) a consumer's
21 email address, telephone number, telefax number, home address, mailing
22 address; and (ii) credit card information necessary to engage in a sales
23 transaction.

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

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(d) The words "consumer data" mean any information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked with a consumer, whether directly submitted to the commercial data collector by the consumer or derived from other sources.

(e) The words "New York consumer" mean a consumer whose primary residence, as defined in article twenty-two of this chapter, is in New York state.

3. Rate of tax. The tax is imposed on commercial data collectors at the following rates based on the number of New York consumers a commercial data collector collects data on within the month.

<u>New York consumers</u>	<u>tax</u>
<u>Less than or equal to one million</u>	<u>0</u>
<u>over one million to two million</u>	<u>five cents per month on the number of New York consumers over one million but not more than two million</u>
<u>over two million to three million</u>	<u>fifty thousand dollars per month plus ten cents per month on the number of New York consumers over two million but not more than three million</u>
<u>over three million to four million</u>	<u>one hundred fifty thousand dollars per month plus fifteen cents per month on the number of New York consumers over three million but not more than four million</u>
<u>over four million to five million</u>	<u>three hundred thousand dollars per month plus twenty cents per month on the number of New York consumers over four million but not more than five million</u>
<u>over five million to six million</u>	<u>five hundred thousand dollars per month plus twenty-five cents per month on the number of New York consumers over five million but not more than six million</u>
<u>over six million to seven million</u>	<u>seven hundred fifty thousand dollars per month plus thirty cents per month on the number of New York consumers over six million but not more than seven million</u>
<u>over seven million to eight million</u>	<u>one million, fifty thousand dollars per month plus thirty-five cents per month on the number of New York consumers over seven million but not more than eight million</u>
<u>over eight million to nine million</u>	<u>one million, four hundred thousand dollars per month plus forty cents per month on the number of New York consumers over eight million but not more than nine million</u>
<u>over nine million to ten million</u>	<u>one million, eight hundred thousand</u>

1 dollars per month plus forty-five
2 cents per month on the number
3 of New York consumers over
4 nine million but not more than ten
5 million
6 over ten million
7 two million, two hundred fifty
8 thousand dollars per month plus
9 fifty cents per month on the number
10 of New York consumers over
11 ten million.

12 4. Taxpayers. (a) There shall be a rebuttable presumption that a
13 consumer whose information on record with or available to a commercial
14 data collector indicates a New York home address, a New York mailing
15 address, or an internet protocol address connected with a New York
16 location is a New York consumer for purposes of this section. The
17 presumption may be rebutted by evidence that a consumer's primary resi-
18 dence, as defined in article twenty-two of this chapter, is outside New
19 York.

20 (b) A New York consumer shall be counted only once in the calculation
21 by a consumer data collector of the monthly excise tax imposed on a
22 commercial data collector.

23 (c) Business entities having common ownership as defined in section
24 1563(a) of the internal revenue code shall be treated as a single
25 taxpayer for purposes of meeting the definition of commercial data
26 collector under this section. The entities constituting the single
27 taxpayer are jointly and severally liable for any tax due.

28 (d) The single member of a single member limited liability company
29 shall be treated as a consumer under this section.

30 5. Alternative methods for calculating tax liability. A commercial
31 data collector and the department may agree on a methodology for deter-
32 mining the number of New York consumers for the purpose of calculating
33 the tax.

34 6. Credit against tax paid to another jurisdiction. A commercial data
35 collector that has paid tax under this section may claim a credit
36 against the tax paid with respect to a New York consumer when another
37 state imposes an excise tax identical to the tax imposed under this
38 section with respect to the same consumer.

39 7. Recordkeeping. A commercial data collector shall maintain records
40 as required by the commissioner.

41 8. Returns. (a) A commercial data collector shall file a monthly
42 return as prescribed by the commissioner.

43 (b) A commercial data collector that pays the tax imposed under this
44 section in a given month must file a return in subsequent months until
45 it reports no tax liability for twelve consecutive months.

46 9. Administrative procedures. The administrative procedures set forth
47 in article twenty-seven of this chapter shall apply unless specific
48 provisions to the contrary are set forth in this section.

49 10. The department of taxation and finance may prescribe such rules
50 and regulations as may be necessary to carry out this section.

51 § 2. This act shall take effect immediately and shall apply to all tax
52 years commencing on or after the first day of the first month that
begins more than six months after the law takes effect.