STATE OF NEW YORK

5154--A

2025-2026 Regular Sessions

IN SENATE

February 19, 2025

Introduced by Sen. JACKSON -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- recommitted to the Committee on Budget and Revenue in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to imposing a special tax on artwork, antique furniture, and antique jewelry sold at auction; and to amend the state finance law, in relation to establishing the art education fund

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

Section 1. The tax law is amended by adding a new article 28-E to read as follows:

ARTICLE 28-E

SPECIAL TAX ON ARTWORK, ANTIQUE FURNITURE, AND ANTIQUE JEWELRY SOLD AT AUCTION

§ 1199. Definitions. As used in this article, the following terms shall have the following meanings:

(a) "Art" shall be a work of art, artwork, art piece, piece of art or art object that is an aesthetic physical item or artistic creation.

(b) "Antique furniture" shall be furniture created over one hundred twenty-five years ago.

(c) "Antique jewelry" shall be jewelry created over one hundred twenty-five years ago.

(d) "Auction" includes any auction taking place in the state or being managed by an entity that has a New York tax resale certificate or has an auctioneer's license in any locality that requires it within the state.

§ 1199-a. Imposition of special tax. In addition to any other tax imposed by this chapter or other law, there is hereby imposed a tax of three-tenths of one percent or one dollar, whichever is greater, on the receipts from the sale of art, antique furniture or antique jewelry at auction. The tax is imposed on the purchaser and shall be collected by the entity conducting the auction at the time of sale, provided however, that where the tax imposed pursuant to this section is not collected by the entity conducting the auction the purchaser shall remit such tax directly to the commissioner.

§ 1199-b. Administrative provisions. Every person required to collect or pay the tax imposed under section eleven hundred ninety-nine-a of this article shall file a return and pay such tax required to be collected to the commissioner of taxation and finance on or before the twentieth day after the close of the quarterly period in which the sale took place.

§ 1199-c. Deposit and disposition of revenue. The taxes collected or received by the commissioner under this article shall be deposited in the art education fund established pursuant to section ninety-seven-uuuu of the state finance law and disposed of pursuant to the provisions of such section.

§ 1199-d. Rules and regulations. The commissioner shall promulgate all rules and regulations necessary to carry out the provisions of this article.

§ 2. The state finance law is amended by adding a new section 97-uuuu to read as follows:

§ 97-uuuu. Art education fund. 1. As used in this section, the following terms shall have the following meanings:

(a) "Art education" shall include the following activities: painting, visual arts, ceramics, field trips to museums or other institutions recognized by the council, and stipends for artists in residence.

(b) "Council" means the New York state council on the arts.

(c) "Eligible school" means a public school receiving federal funds pursuant to Title I of the Elementary and Secondary Education Act of nineteen hundred sixty-five.

(d) "Recipient designee" means an eligible school or, at the school's option, a community-based organization, vendor, fiscal agent, or other third party nominated by an eligible school to receive and administer an art education award on the school's behalf, provided such entity is prequalified in the New York state statewide financial system.

(e) "Regrant administrator" means an entity selected by the council to receive funds pursuant to the provisions of this section.

(f) "Three-year award term" means a funding commitment covering three consecutive fiscal years which secures an award with a floor of fifteen thousand dollars in the first year of such award, and the second and third years subject to annual funding availability.

(g) "Rural school" means an eligible school located in a district classified as "rural" or "rural high-need" by the state education department, or any successor designation.

(h) "Base per-pupil rate" means the statewide per-pupil allocation calculated pursuant to subdivision five of this section.

(i) "Award amount" means the final allocation to an eligible school after application of the minimum and maximum award adjustments set forth in subdivision five of this section.

2. There is hereby created in the joint custody of the state comptroller and the commissioner of taxation and finance a fund to be known as the "art education fund".

3. Such fund shall consist of all revenues received by the department of taxation and finance, pursuant to the provisions of section eleven hundred ninety-nine-b of the tax law and all other monies appropriated, credited, or transferred thereto from any other fund or source pursuant to law. Monies in the fund shall be kept separate and shall not be commingled with any other monies otherwise appropriated or received except as hereby provided.

4. (a) One percent of the monies of the fund shall be made available to the council for administrative costs.

(b) The remaining ninety-nine percent of the monies of the fund shall be available to the council to be transferred to one or more regrant administrators for the purpose of providing assistance for art education and art supplies at public schools receiving federal funds pursuant to Title I of the Elementary and Secondary Education Act of nineteen hundred sixty-five, as amended. Awards shall not be issued on a reimbursement basis. Provided, however, that a regrant administrator may retain up to one percent of the funds it receives for administrative costs and shall redistribute the remaining ninety-nine percent to recipient designees for three-year award terms.

(c) Any monies remaining in the fund or any regrant administrator account at the end of each fiscal year which have not been expended for art education or art supplies shall be either retained or redeposited into the fund, as applicable.

5. (a) The council shall select as regrant administrators the twenty-six state community regrant partners. Where an eligible school is not served by a community regrant partner, the council may designate an alternative entity to administer awards in that region. Regional allocations shall be based on each region's proportionate share of pupils enrolled in Title I programs. Award amounts shall be calculated as follows:

(i) Base per-pupil rate. The council shall annually calculate a statewide base per-pupil rate by dividing the total amount available for awards by the total number of pupils enrolled in Title I programs at eligible schools.

(ii) Provisional allocation. Each eligible school shall receive a provisional allocation equal to the base per-pupil rate multiplied by the number of pupils enrolled in Title I programs at such school.

(iii) Minimum award adjustments. A rural school shall receive not less than ten thousand dollars. A non-rural school shall receive not less than fifteen thousand dollars.

(iv) Maximum award adjustment. No eligible school shall receive more than twenty thousand dollars.

(v) Normalization. If the total amount of awards calculated pursuant to this subdivision exceeds the amount available for awards, the council shall proportionally adjust the award amounts of schools whose allocations exceed the applicable minimum award until the total equals the amount available for awards.

(vi) Three-year award term. Awards shall be issued for three-year award terms, subject to annual funding availability.

(b) Guidelines issued pursuant to this subdivision shall be limited to administrative procedures necessary to implement the formula set forth in subdivision five of this section and shall not impose application, competitive review, or scoring requirements.

6. The council shall provide by September first of each year, to the governor, the temporary president of the senate, the speaker of the assembly, the chair of the senate finance committee and the chair of the assembly ways and means committee, a report containing guidelines and amendments established by the state council on the arts and a complete financial statement including, but not limited to, monies allocated, collected, transferred or otherwise paid or credited to the fund. A projected schedule of disbursements and receipts of the fund for the next fiscal year shall be included in each report. In addition, any amendments to the guidelines shall be provided to the above listed individuals within thirty days of their establishment by the council.

7. No monies shall be payable from this fund, except on the audit and warrant of the comptroller on vouchers certified and submitted by the chair of the council.

§ 3. This act shall take effect on the first of January next succeeding the date on which it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.