§ 106-c. Crediting of overpayment of tax to obligation of public assistance recipients. 1. The commissioner shall enter into an agreement with the commissioner of taxation and finance which shall set forth the procedures for the crediting of overpayments of tax owed to an individual taxpayer, estate or trust to the repayment of overpayments of grants and allowances owed to the department or a social services district by such person pursuant to the provisions of section one hundred seventy-one-f of the tax law and is authorized to furnish to the commissioner of taxation and finance such information and to take such other actions as may be necessary to carry out the agreement provided for in such section, for the crediting of overpayments of tax to repayment of overpayments of public assistance.

The department shall by regulation establish procedures by which any individual, estate or trust which is the subject of a certification to the department of taxation and finance in accordance with such agreement may contest such certification. Such regulations and the notice required by subdivision three of section one hundred seventy-one-f of the tax law shall set forth defenses which may be available to the individual, estate or trust to contest such certification and the manner in which a review of the certification based on such defenses may be obtained.

2. In accordance with such agreement and the provisions of section one hundred seventy-one-f of the tax law, the department shall be entitled to receive payments to satisfy the payment obligation of a person receiving or who has received grants and allowances pursuant to section one hundred thirty-one-a, section one hundred thirty-one-s, section three hundred one, and section three hundred fifty-j of this chapter, in accordance with a written final determination of the department or a social services district, provided that no proceeding for administrative or judicial review shall then be pending and the time for initiation of such proceeding shall have expired.