

FY 2025 NEW YORK STATE EXECUTIVE BUDGET

**REVENUE
ARTICLE VII LEGISLATION**

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Legislative Bill Drafting Commission
12674-01-4

S. -----
Senate

IN SENATE--Introduced by Sen

--read twice and ordered printed,
and when printed to be committed
to the Committee on

----- A.
Assembly

IN ASSEMBLY--Introduced by M. of A.

with M. of A. as co-sponsors

--read once and referred to the
Committee on

BUDGBI

(Enacts into law major components of
legislation which are necessary to
implement the state fiscal plan for
the 2024-2025 state fiscal year)

BUDGBI. REV (Governor)

AN ACT

to amend the tax law and the admin-
istrative code of the city of New
York, in relation to permanently
extending the itemized deduction
limit on individuals with income
over ten million dollars (Part A);
to amend part N of chapter 61 of the
laws of 2005, amending the tax law
relating to certain transactions and
related information and relating to
the voluntary compliance initiative,
in relation to eliminating the expi-

IN SENATE

Senate introducer's signature

The senators whose names are circled below wish to join me in the sponsorship
of this proposal:

s15 Addabbo	s34 Fernandez	s28 Krueger	s01 Palumbo	s42 Skoufis
s43 Ashby	s60 Gallivan	s24 Lanza	s21 Parker	s11 Stavisky
s36 Bailey	s12 Gianaris	s16 Liu	s19 Persaud	s45 Stec
s57 Borrello	s59 Gonzalez	s50 Mannion	s13 Ramos	s35 Stewart-
s46 Breslin	s26 Gounardes	s04 Martinez	s05 Rhoads	Cousins
s25 Brisport	s53 Griffo	s07 Martins	s33 Rivera	s44 Tedisco
s55 Brouk	s40 Harckham	s02 Mattera	s39 Rolison	s06 Thomas
s09 Canzoneri-	s54 Helming	s48 May	s61 Ryan	s49 Walczyk
Fitzpatrick	s41 Hinchey	s37 Mayer	s18 Salazar	s52 Webb
s17 Chu	s47 Hoylman-	s03 Murray	s10 Sanders	s38 Weber
s30 Cleare	Sigal	s20 Myrie	s23 Scarcella-	s08 Weik
s14 Comrie	s31 Jackson	s51 Oberacker	Spanton	
s56 Cooney	s27 Kavanagh	s58 O'Mara	s32 Sepulveda	
s22 Felder	s63 Kennedy	s62 Ortt	s29 Serrano	

IN ASSEMBLY

Assembly introducer's signature

The Members of the Assembly whose names are circled below wish to join me in the
multi-sponsorship of this proposal:

a078 Alvarez	a047 Colton	a034 Gonzalez-	a137 Meeks	a016 Sillitti
a031 Anderson	a140 Conrad	Rojas	a017 Mikulin	a052 Simon
a121 Angelino	a032 Cook	a150 Goodell	a122 Miller	a075 Simone
a037 Ardila	a039 Cruz	a116 Gray	a051 Mitaynes	a114 Simpson
a035 Aubry	a043 Cunningham	a100 Gunther	a145 Morinello	a094 Slater
a120 Barclay	a021 Curran	a139 Hawley	a144 Norris	a005 Smith
a106 Barrett	a018 Darling	a083 Heastie	a045 Novakhov	a118 Smullen
a105 Beephan	a053 Davila	a028 Hevesi	a069 O'Donnell	a022 Solages
a107 Bendett	a072 De Los Santos	a128 Hunter	a091 Otis	a110 Steck
a082 Benedetto	a003 DeStefano	a029 Hyndman	a132 Palmesano	a010 Stern
a027 Berger	a070 Dickens	a079 Jackson	a088 Paulin	a127 Stirpe
a042 Bichotte	a054 Dilan	a104 Jacobson	a141 Peoples-	a102 Tague
Hermelyn	a081 Dinowitz	a011 Jean-Pierre	Stokes	a064 Tannousis
a117 Blankenbush	a147 DiPietro	a134 Jensen	a023 Pheffer	a086 Tapia
a015 Blumencranz	a009 Durso	a115 Jones	Amato	a071 Taylor
a073 Bores	a099 Eachus	a125 Kelles	a063 Pirozzolo	a001 Thiele
a098 Brabenc	a048 Eichenstein	a040 Kim	a089 Pretlow	a033 Vanel
a026 Braunstein	a074 Epstein	a013 Lavine	a019 Ra	a055 Walker
a138 Bronson	a109 Fahy	a065 Lee	a030 Raga	a143 Wallace
a046 Brook-Krasny	a061 Fall	a126 Lemondes	a038 Rajkumar	a112 Walsh
a020 Brown, E.	a008 Fitzpatrick	a095 Levenberg	a006 Ramos	a041 Weinstein
a012 Brown, K.	a004 Flood	a060 Lucas	a062 Reilly	a024 Weprin
a093 Burdick	a057 Forrest	a135 Lunsford	a087 Reyes	a059 Williams
a085 Burgos	a124 Friend	a123 Lupardo	a149 Rivera	a113 Woerner
a142 Burke	a050 Gallagher	a129 Magnarelli	a067 Rosenthal, L.	a080 Zaccaro
a119 Buttenschon	a131 Gallahan	a101 Maher	a025 Rozic	a096 Zebrowski
a133 Byrnes	a007 Gandolfo	a036 Mamdani	a111 Santabarbara	a056 Zinerman
a044 Carroll	a068 Gibbs	a130 Manktelow	a090 Sayegh	a077
a058 Chandler-	a002 Giglio, J.A.	a108 McDonald	a076 Seawright	
Waterman	a148 Giglio, J.M.	a014 McDonough	a084 Septimo	
a049 Chang	a066 Glick	a097 McGowan	a092 Shimsky	
a136 Clark		a146 McMahan	a103 Shrestha	

1) Single House Bill (introduced and printed separately in either or
both houses). Uni-Bill (introduced simultaneously in both houses and printed
as one bill. Senate and Assembly introducer sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2
signed copies of bill and: in Assembly 2 copies of memorandum in support, in
Senate 4 copies of memorandum in support (single house); or 4 signed copies
of bill and 6 copies of memorandum in support (uni-bill).

ration thereof (Part B); to amend the tax law, in relation to making technical corrections to the metropolitan commuter transportation mobility tax (Part C); to amend the tax law, in relation to the restriction upon issuing notices for a tax year that is the subject of a pending petition filed with the division of tax appeals (Part D); to amend the executive law and the tax law, in relation to creating the commercial security tax credit program (Part E); to amend section 23 of part U of chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, in relation to the effectiveness of certain provisions relating to mandatory electronic filing of tax documents; and to repeal certain provisions of the tax law and the administrative code of the city of New York relating to mandatory electronic filing by certain tax return preparers and the failure to electronically file returns (Part F); to repeal subdivision (e) of section 23 of part U of chapter 61 of the laws of 2011 relating to the expiration of the segregated sales tax account provisions (Part G); to amend the tax law, in relation to the filing of amended returns under article 28 thereof (Part H); to amend the tax law, in relation to exempting from sales and use tax certain tangible personal property and services (Part I); to amend the tax law, in relation to extending the sales tax exemption for certain sales made through vending machines (Part J); to amend the tax law, in relation to requiring sales tax from vacation rental marketplace providers (Part K); to amend the tax law, in relation to the taxation of adult-use cannabis products (Part L); to amend the real property tax law, in relation to clarifying the assessment ceiling for local public utility mass real property (Part M); to amend the real property tax law, in relation to requiring excess

proceeds from a tax foreclosure sale to be returned to the former owner (Part N); to amend the racing, pari-mutuel wagering and breeding law, in relation to the utilization of funds in the Capital off-track betting corporations' capital acquisition funds (Part O); and to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 59 of the laws of 2023 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 59 of the laws of 2023 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part P)

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

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to implement the state fiscal plan for the 2024-2025
3 state fiscal year. Each component is wholly contained within a Part
4 identified as Parts A through P. The effective date for each particular
5 provision contained within such Part is set forth in the last section of
6 such Part. Any provision in any section contained within a Part,
7 including the effective date of the Part, which makes a reference to a
8 section "of this act", when used in connection with that particular
9 component, shall be deemed to mean and refer to the corresponding
10 section of the Part in which it is found. Section three of this act sets
11 forth the general effective date of this act.

12 PART A

13 Section 1. Paragraph 2 of subsection (g) of section 615 of the tax
14 law, as amended by section 1 of part Q of chapter 59 of the laws of
15 2019, is amended to read as follows:

16 (2) With respect to an individual whose New York adjusted gross income
17 is over ten million dollars, the New York itemized deduction shall be an
18 amount equal to twenty-five percent of any charitable contribution
19 deduction allowed under section one hundred seventy of the internal
20 revenue code for taxable years beginning after two thousand nine [and
21 ending before two thousand twenty-five].

22 § 2. Paragraph 2 of subdivision (g) of section 11-1715 of the adminis-
23 trative code of the city of New York, as amended by section 2 of part Q
24 of chapter 59 of the laws of 2019, is amended to read as follows:

25 (2) With respect to an individual whose New York adjusted gross income
26 is over ten million dollars, the New York itemized deduction shall be an

1 amount equal to twenty-five percent of any charitable contribution
2 deduction allowed under section one hundred seventy of the internal
3 revenue code for taxable years beginning after two thousand nine [and
4 ending before two thousand twenty-five].

5 § 3. This act shall take effect immediately.

6 PART B

7 Section 1. Section 12 of part N of chapter 61 of the laws of 2005,
8 amending the tax law relating to certain transactions and related infor-
9 mation and relating to the voluntary compliance initiative, as amended
10 by section 1 of part O of chapter 59 of the laws of 2019, is amended to
11 read as follows:

12 § 12. This act shall take effect immediately; provided, however, that
13 (i) section one of this act shall apply to all disclosure statements
14 described in paragraph 1 of subdivision (a) of section 25 of the tax
15 law, as added by section one of this act, that were required to be filed
16 with the internal revenue service at any time with respect to "listed
17 transactions" as described in such paragraph 1, and shall apply to all
18 disclosure statements described in paragraph 1 of subdivision (a) of
19 section 25 of the tax law, as added by section one of this act, that
20 were required to be filed with the internal revenue service with respect
21 to "reportable transactions" as described in such paragraph 1, other
22 than "listed transactions", in which a taxpayer participated during any
23 taxable year for which the statute of limitations for assessment has not
24 expired as of the date this act shall take effect, and shall apply to
25 returns or statements described in such paragraph 1 required to be filed
26 by taxpayers (or persons as described in such paragraph) with the

1 commissioner of taxation and finance on or after the sixtieth day after
2 this act shall have become a law; and

3 (ii) sections two through four and seven through nine of this act
4 shall apply to any tax liability for which the statute of limitations on
5 assessment has not expired as of the date this act shall take effect[;
6 and

7 (iii) provided, further, that the provisions of this act, except
8 section five of this act, shall expire and be deemed repealed July 1,
9 2024; provided, that, such expiration and repeal shall not affect any
10 requirement imposed pursuant to this act].

11 § 2. This act shall take effect immediately.

12 PART C

13 Section 1. The opening paragraph of paragraph 2 of subsection (a) of
14 section 801 of the tax law, as amended by section 1 of part N of chapter
15 59 of the laws of 2012, is amended to read as follows:

16 (A) For individuals, the tax is imposed at a rate of thirty-four
17 hundredths (.34) percent of the net earnings from self-employment of
18 individuals that are attributable to the MCTD, in the counties of Dutch-
19 ess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester, if such
20 earnings attributable to the MCTD exceed fifty thousand dollars for the
21 tax year.

22 § 2. This act shall take effect immediately and shall apply to taxable
23 years beginning on or after January 1, 2024.

24 PART D

1 Section 1. Paragraph 2 of subsection (c) and paragraph 4 of subsection
2 (d) of section 689 of the tax law, paragraph 2 of subsection (c) as
3 amended by chapter 40 of the laws of 1964 and paragraph 4 of subsection
4 (d) as amended by chapter 28 of the laws of 1987, are amended to read as
5 follows:

6 (2) the taxpayer has not previously filed with the tax commission a
7 timely petition under subsection (b) of this section for the same taxa-
8 ble year unless the petition under this subsection relates to a separate
9 claim for credit or refund properly filed under subsection (f) of
10 section six hundred eighty-seven of this part or relates to a refund or
11 credit first claimed on an amended return for the taxable year, and

12 (4) Restriction on further notices of deficiency. -- If the taxpayer
13 files a petition with the tax commission under this section, no notice
14 of deficiency under section six hundred eighty-one of this part may
15 thereafter be issued by the tax commission for the same [taxable year]
16 tax return, except in case of fraud or with respect to a change or
17 correction required to be reported under section six hundred fifty-nine
18 of this article.

19 § 2. Paragraph 2 of subsection (c) and paragraph 4 of subsection (d)
20 of section 1089 of the tax law, paragraph 2 of subsection (c) as added
21 by chapter 188 of the laws of 1964 and paragraph 4 of subsection (d) as
22 amended by chapter 817 of the laws of 1987, are amended to read as
23 follows:

24 (2) the taxpayer has not previously filed with the tax commission a
25 timely petition under subsection (b) of this section for the same taxa-
26 ble year unless the petition under this subsection relates to a separate
27 claim for credit or refund properly filed under subsection (f) of

1 section one thousand eighty-seven of this article or relates to a refund
2 or credit first claimed on an amended return for the taxable year, and

3 (4) Restriction on further notices of deficiency.---If the taxpayer
4 files a petition with the tax commission under this section, no notice
5 of deficiency under section one thousand eighty-one of this article may
6 thereafter be issued by the tax commission for the same [taxable year]
7 tax return, except in case of fraud or with respect to an increase or
8 decrease in federal taxable income or federal alternative minimum taxa-
9 ble income or federal tax or a federal change or correction or renegoti-
10 ation, or computation or recomputation of tax, which is treated in the
11 same manner as if it were a deficiency for federal income tax purposes,
12 required to be reported under subdivision three of section two hundred
13 eleven[, or under section two hundred nineteen-bb or under section two
14 hundred nineteen-zz] of this chapter.

15 § 3. This act shall take effect immediately and apply to taxable years
16 beginning on or after January 1, 2024.

17 PART E

18 Section 1. The executive law is amended by adding a new section 845-e
19 to read as follows:

20 § 845-e. Commercial security tax credit program. 1. Definitions. For
21 the purposes of this section:

22 (a) "Certificate of tax credit" means the document issued to a busi-
23 ness entity by the division after the division has verified that the
24 business entity has met all applicable eligibility criteria in subdivi-
25 sion two of this section. The certificate shall specify the exact amount
26 of the tax credit under this section that a business entity may claim,

1 pursuant to subdivision five of this section, and other information as
2 required by the department of taxation and finance.

3 (b) "Qualified business" means a business with one hundred or fewer
4 total employees that operates one or more physical retail business
5 locations open to the public in New York state that incurs costs related
6 to protection against retail theft of goods through retail theft
7 prevention measures.

8 (c) "Qualified retail theft prevention measure expenses" means any
9 combination of retail theft prevention measure costs paid or incurred by
10 a qualified business during the taxable year that cumulatively exceed
11 twelve thousand dollars for each New York retail location.

12 (d) "Retail theft prevention measure" means (i) the use of security
13 officers as defined in paragraph (e) of this subdivision, (ii) security
14 cameras, (iii) perimeter security lighting, (iv) interior or exterior
15 locking or hardening measures, (v) alarm systems, (vi) access control
16 systems, or (vii) other appropriate anti-theft devices as determined by
17 the division to be eligible under this section.

18 (e) "Security officers" means security officers, registered under
19 article seven-A of the general business law, responsible for the securi-
20 ty and theft deterrence in a qualified business, whether employed
21 directly by such business or indirectly through a contractor.

22 2. Eligibility criteria. To be eligible for a tax credit under the
23 commercial security tax credit program, an eligible business must:

24 (a) be a qualified business required to file a tax return pursuant to
25 articles nine, nine-A or twenty-two of the tax law;

26 (b) have qualified retail theft prevention measure expenses that
27 exceed twelve thousand dollars for each New York retail location during
28 the taxable year;

1 (c) provide a certification in a manner and form prescribed by the
2 commissioner that the business entity participates in a community anti-
3 theft partnership as established by the division between businesses and
4 relevant local law enforcement agencies; and

5 (d) may not owe past due state taxes or local property taxes unless
6 the business entity is making payments and complying with an approved
7 binding payment agreement entered into with the taxing authority.

8 3. Application and approval process. (a) A business entity must submit
9 a complete application as prescribed by the commissioner by October
10 thirty-first of each year.

11 (b) The commissioner shall establish procedures for business entities
12 to submit applications. As part of the application, each business entity
13 must:

14 (i) provide evidence of eligibility in a form and manner prescribed by
15 the commissioner;

16 (ii) agree to allow the department of taxation and finance to share
17 the business entity's tax information with the division. However, any
18 information shared as a result of this program shall not be available
19 for disclosure or inspection under the state freedom of information law
20 pursuant to article six of the public officers law;

21 (iii) allow the division and its agents access to any and all books
22 and records the division may require to confirm eligibility; and

23 (iv) agree to provide any additional information required by the divi-
24 sion relevant to this section.

25 4. Certificate of tax credit. After reviewing a business entity's
26 completed final application and determining that a business entity meets
27 the eligibility criteria as set forth in this section, the division may
28 issue to that business entity a certificate of tax credit. All applica-

1 tions will be processed by the division in the order they are received
2 and certificates of tax credit may be issued in amounts that, in the
3 aggregate, do not exceed the annual cap as set forth in subdivision
4 seven of this section.

5 5. Commercial security tax credit. (a) For taxable years beginning on
6 or after January first, two thousand twenty-four and before January
7 first, two thousand twenty-six, a business entity in the commercial
8 security tax credit program that meets the eligibility requirements of
9 subdivision two of this section may be eligible to claim a credit equal
10 to three thousand dollars for each retail location of the business enti-
11 ty located in New York state.

12 (b) A business entity may claim the tax credit in the taxable year
13 that begins in the year for which it was allocated a credit by the divi-
14 sion under this section.

15 (c) The credit shall be allowed as provided in section forty-nine,
16 section one hundred eighty-seven-r, subdivision sixty of section two
17 hundred ten-B and subsection (ppp) of section six hundred six of the tax
18 law.

19 (d) The commissioner shall, in consultation with the department of
20 taxation and finance, develop a certificate of tax credit that shall be
21 issued by the commissioner to eligible businesses.

22 (e) The commissioner shall solely determine the eligibility of any
23 applicant applying for entry into the program and shall remove any busi-
24 ness entity from the program for failing to meet any of the requirements
25 set forth in subdivision two and subdivision three of this section. In
26 the event a business entity is removed from the program, the division
27 shall notify the department of taxation and finance of such removal.

1 6. Maintenance of records. Each eligible business participating in the
2 program shall keep all relevant records for the duration of their
3 program participation for at least three years.

4 7. Cap on tax credit. The total amount of tax credits listed on
5 certificates of tax credit issued by the division pursuant to this
6 section may not exceed five million dollars per calendar year.

7 § 2. The tax law is amended by adding a new section 49 to read as
8 follows:

9 § 49. Commercial security tax credit. (a) Allowance of credit. For
10 taxable years beginning on or after January first, two thousand twenty-
11 four and before January first, two thousand twenty-six, a taxpayer
12 required to file a return pursuant to articles nine, nine-A or twenty-
13 two of this chapter shall be allowed a credit against such tax, pursuant
14 to the provisions referenced in subdivision (f) of this section. The
15 amount of the credit is equal to the amount determined pursuant to
16 section eight hundred forty-five-e of the executive law. No cost or
17 expense paid or incurred by the taxpayer that is included as part of the
18 calculation of this credit shall be the basis of any other tax credit
19 allowed under this chapter.

20 (b) To be eligible for the commercial security tax credit, the taxpay-
21 er shall have been issued a certificate of tax credit by the division of
22 criminal justice services pursuant to section eight hundred forty-five-e
23 of the executive law, which certificate shall set forth the amount of
24 the credit that may be claimed for the taxable year. The taxpayer shall
25 be allowed to claim only the amount listed on the certificate of tax
26 credit for the taxable year. A taxpayer that is a partner in a partner-
27 ship, member of a limited liability company or shareholder in a subchap-
28 ter S corporation that has received a certificate of tax credit shall be

1 allowed its pro rata share of the credit earned by the partnership,
2 limited liability company or subchapter S corporation.

3 (c) Tax return requirement. The taxpayer shall be required to attach
4 to its tax return in the form prescribed by the commissioner, proof of
5 receipt of its certificate of tax credit issued by the division of crim-
6 inal justice services.

7 (d) Information sharing. Notwithstanding any provision of this chap-
8 ter, employees of the division of criminal justice services and the
9 department shall be allowed and are directed to share and exchange:

10 (1) information derived from tax returns or reports that is relevant
11 to a taxpayer's eligibility to participate in the commercial security
12 tax credit program;

13 (2) information regarding the credit applied for, allowed or claimed
14 pursuant to this section and taxpayers that are applying for the commer-
15 cial security tax credit program or that are claiming such credit; and

16 (3) information contained in or derived from credit claim forms
17 submitted to the department and applications for admission into the
18 commercial security tax credit program. All information exchanged
19 between the department and the division of criminal justice services
20 shall not be subject to disclosure or inspection under the state's free-
21 dom of information law.

22 (e) Credit recapture. If a certificate of tax credit issued by the
23 division of criminal justice services under section eight hundred
24 forty-five-e of the executive law is revoked by the division, the amount
25 of credit described in this section and claimed by the taxpayer prior to
26 such revocation shall be added back to tax in the taxable year such
27 revocation becomes final.

1 (f) Cross references. For application of the credit provided for in
2 this section, see the following provisions of this chapter:

3 (1) article 9; section 187-r;

4 (2) article 9-A: section 210-B, subdivision 60;

5 (3) article 22: section 606, subdivision (ppp).

6 § 3. The tax law is amended by adding a new section 187-r to read as
7 follows:

8 § 187-r. Commercial security tax credit. 1. Allowance of credit. A
9 taxpayer shall be allowed a credit, to be computed as provided in
10 section forty-nine of this chapter, against the tax imposed by this
11 article.

12 2. Application of credit. In no event shall the credit under this
13 section be allowed in an amount that will reduce the tax payable to less
14 than the applicable minimum tax fixed by section one hundred eighty-
15 three of this article. If, however, the amount of credit allowable under
16 this section for any taxable year reduces the tax to such amount, any
17 amount of credit not deductible in such taxable year shall be treated as
18 an overpayment of tax to be refunded in accordance with the provisions
19 of section one thousand eighty-six of this chapter. Provided, however,
20 the provisions of subsection (c) of section one thousand eighty-eight of
21 this chapter notwithstanding, no interest shall be paid thereon.

22 § 4. Section 210-B of the tax law is amended by adding a new subdivi-
23 sion 60 to read as follows:

24 60. Commercial security tax credit. (a) Allowance of credit. A taxpay-
25 er shall be allowed a credit, to be computed as provided in section
26 forty-nine of this chapter, against the taxes imposed by this article.

27 (b) Application of credit. The credit allowed under this subdivision
28 for the taxable year shall not reduce the tax due for such year to less

1 than the amount prescribed in paragraph (d) of subdivision one of
2 section two hundred ten of this article. However, if the amount of cred-
3 it allowable under this subdivision for the taxable year reduces the tax
4 to such amount or if the taxpayer otherwise pays tax based on the fixed
5 dollar minimum amount, any amount of credit thus not deductible in such
6 taxable year shall be treated as an overpayment of tax to be credited or
7 refunded in accordance with the provisions of section one thousand
8 eighty-six of this chapter. Provided, however, the provisions of
9 subsection (c) of section one thousand eighty-eight of this chapter
10 notwithstanding, no interest will be paid thereon.

11 § 5. Section 606 of the tax law is amended by adding a new subsection
12 (ppp) to read as follows:

13 (ppp) Commercial security tax credit. (1) Allowance of credit. A
14 taxpayer shall be allowed a credit, to be computed as provided in
15 section forty-nine of this chapter, against the tax imposed by this
16 article.

17 (2) Application of credit. If the amount of the credit allowed under
18 this subsection for the taxable year exceeds the taxpayer's tax for such
19 year, the excess shall be treated as an overpayment of tax to be credit-
20 ed or refunded in accordance with the provisions of section six hundred
21 eighty-six of this article, provided, however, that no interest will be
22 paid thereon.

23 § 6. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
24 of the tax law is amended by adding a new clause (li) to read as
25 follows:

26 <u>(li) Commercial security tax</u>	<u>Amount of credit under</u>
27 <u>credit under subsection (ppp)</u>	<u>subdivision sixty of</u>
28	<u>section two hundred ten-B</u>

1 § 7. This act shall take effect immediately.

2 PART F

3 Section 1. Paragraph 10 of subsection (g) of section 658 of the tax
4 law is REPEALED.

5 § 2. Paragraph 10 of subdivision (g) of section 11-1758 of the admin-
6 istrative code of the city of New York is REPEALED.

7 § 3. Paragraph 5 of subsection (u) of section 685 of the tax law is
8 REPEALED.

9 § 4. Paragraph 5 of subdivision (t) of section 11-1785 of the adminis-
10 trative code of the city of New York is REPEALED.

11 § 5. Subdivisions (a), (b), (c) and (d) of section 23 of part U of
12 chapter 61 of the laws of 2011, amending the real property tax law and
13 other laws relating to establishing standards for electronic tax
14 administration, subdivisions (a), (c) and (d) as amended by section 5 of
15 part A of chapter 59 of the laws of 2019 and subdivision (b) as amended
16 by section 5 of part G of chapter 60 of the laws of 2016, are amended to
17 read as follows:

18 (a) the amendments to section 29 of the tax law made by section thir-
19 teen of this act shall apply to tax documents filed or required to be
20 filed on or after the sixtieth day after which this act shall have
21 become a law [and shall expire and be deemed repealed December 31,
22 2024], provided however that the amendments to paragraph 4 of subdivi-
23 sion (a) of section 29 of the tax law and paragraph 2 of subdivision (e)
24 of section 29 of the tax law made by section thirteen of this act with
25 regard to individual taxpayers shall take effect September 15, 2011 but
26 only if the commissioner of taxation and finance has reported in the

1 report required by section seventeen-b of this act that the percentage
2 of individual taxpayers electronically filing their 2010 income tax
3 returns is less than eighty-five percent; provided that the commissioner
4 of taxation and finance shall notify the legislative bill drafting
5 commission of the date of the issuance of such report in order that the
6 commission may maintain an accurate and timely effective data base of
7 the official text of the laws of the state of New York in furtherance of
8 effectuating the provisions of section 44 of the legislative law and
9 section 70-b of the public officers law;

10 (b) sections fourteen, fifteen, sixteen and seventeen of this act
11 shall take effect September 15, 2011 but only if the commissioner of
12 taxation and finance has reported in the report required by section
13 seventeen-b of this act that the percentage of individual taxpayers
14 electronically filing their 2010 income tax returns is less than eight-
15 y-five percent; and

16 (c) sections fourteen-a and fifteen-a of this act shall take effect
17 September 15, 2011 and expire and be deemed repealed December 31, 2012
18 but shall take effect only if the commissioner of taxation and finance
19 has reported in the report required by section seventeen-b of this act
20 that the percentage of individual taxpayers electronically filing their
21 2010 income tax returns is eighty-five percent or greater[;

22 (d) sections fourteen-b, fifteen-b, sixteen-a and seventeen-a of this
23 act shall take effect January 1, 2025 but only if the commissioner of
24 taxation and finance has reported in the report required by section
25 seventeen-b of this act that the percentage of individual taxpayers
26 electronically filing their 2010 income tax returns is less than eight-
27 y-five percent; and]_.

28 § 6. This act shall take effect immediately.

1 PART G

2 Section 1. Subdivision (e) of section 23 of part U of chapter 61 of
3 the laws of 2011 is REPEALED.

4 § 2. This act shall take effect immediately.

5 PART H

6 Section 1. Section 1136 of the tax law is amended by adding a new
7 subdivision (d-1) to read as follows:

8 (d-1)(1) Notwithstanding subdivision (d) of this section, a return may
9 be amended where such amendment would not result in the reduction or
10 elimination of a past-due tax liability, as such term is defined in
11 section one hundred seventy-one-v of this chapter. Provided, however,
12 that a person required to collect tax, as defined in section eleven
13 hundred thirty-one of this part, may amend a return within one hundred
14 eighty days of the date such return was due if the past-due liability
15 was self-assessed and reported by such person.

16 (2) Where there is no such past-due tax liability, an amended return
17 that would result in the reduction or elimination of tax due shall be
18 deemed a claim for credit or refund and must be filed within the time
19 required for filing a claim for credit or refund under section eleven
20 hundred thirty-nine of this part and otherwise meet the requirements of
21 such section.

22 (3) Where the commissioner has determined the amount of tax due pursu-
23 ant to paragraph one of subdivision (a) of section eleven hundred thir-
24 ty-eight of this part, an original return may be filed within one
25 hundred eighty days after mailing of notice of such determination.

1 Provided, however, that nothing in this paragraph shall affect any
2 penalty or interest that may have accrued for such tax period on account
3 of failure to timely file the original return.

4 (4) An assessment of tax, penalty and interest, including recovery of
5 a previously paid refund, attributable to a change or correction on a
6 return, may be made at any time within three years after such return is
7 filed.

8 § 2. Subdivision (a) of section 1145 of the tax law is amended by
9 adding a new paragraph 8 to read as follows:

10 (8) Notwithstanding any other provision of this article, any person
11 who willfully files or amends a return that contains false information
12 to reduce or eliminate a liability shall be subject to a penalty not to
13 exceed one thousand dollars per return. This penalty shall be in addi-
14 tion to any other penalty provided by law.

15 § 3. The commissioner of taxation and finance shall be required to
16 provide notice to persons required to collect tax of the amendments made
17 by sections one and two of this act no later than September 1, 2024.

18 § 4. This act shall take effect immediately, provided, however, the
19 amendments made by section one of this act shall apply to returns filed
20 or amended for quarterly periods, as described in subdivision (b) of
21 section 1136 of the tax law, commencing on and after December 1, 2024.

22 PART I

23 Section 1. Subdivision jj of section 1115 of the tax law, as amended
24 by section 1 of part M of chapter 59 of the laws of 2021, is amended to
25 read as follows:

1 (jj) Tangible personal property or services otherwise taxable under
2 this article sold to a related person shall not be subject to the taxes
3 imposed by section eleven hundred five of this article or the compensat-
4 ing use tax imposed under section eleven hundred ten of this article
5 where the purchaser can show that the following conditions have been met
6 to the extent they are applicable: (1) (i) the vendor and the purchaser
7 are referenced as either a "covered company" as described in section
8 243.2(f) or a "material entity" as described in section 243.2(1) of the
9 Code of Federal Regulations in a resolution plan that has been submitted
10 to an agency of the United States for the purpose of satisfying subpara-
11 graph 1 of paragraph (d) of section one hundred sixty-five of the Dodd-
12 Frank Wall Street Reform and Consumer Protection Act (the "Act") or any
13 successor law, or (ii) the vendor and the purchaser are separate legal
14 entities pursuant to a divestiture directed pursuant to subparagraph 5
15 of paragraph (d) of section one hundred sixty-five of such act or any
16 successor law; (2) the sale would not have occurred between such related
17 entities were it not for such resolution plan or divestiture; and (3) in
18 acquiring such property or services, the vendor did not claim an
19 exemption from the tax imposed by this state or another state based on
20 the vendor's intent to resell such services or property. A person is
21 related to another person for purposes of this subdivision if the person
22 bears a relationship to such person described in section two hundred
23 sixty-seven of the internal revenue code. The exemption provided by this
24 subdivision shall not apply to sales made, services rendered, or uses
25 occurring after June thirtieth, two thousand [twenty-four] twenty-seven,
26 except with respect to sales made, services rendered, or uses occurring
27 pursuant to binding contracts entered into on or before such date; but

1 in no case shall such exemption apply after June thirtieth, two thousand
2 [twenty-seven] thirty.

3 § 2. This act shall take effect immediately.

4 PART J

5 Section 1. Subparagraph (B) of paragraph 1 of subdivision (a) of
6 section 1115 of the tax law, as amended by section 1 of part R of chap-
7 ter 59 of the laws of 2023, is amended to read as follows:

8 (B) Until May thirty-first, two thousand [twenty-four] twenty-five,
9 the food and drink excluded from the exemption provided by clauses (i),
10 (ii) and (iii) of subparagraph (A) of this paragraph, and bottled water,
11 shall be exempt under this subparagraph: (i) when sold for one dollar
12 and fifty cents or less through any vending machine that accepts coin or
13 currency only; or (ii) when sold for two dollars or less through any
14 vending machine that accepts any form of payment other than coin or
15 currency, whether or not it also accepts coin or currency.

16 § 2. This act shall take effect immediately.

17 PART K

18 Section 1. Subdivision (c) of section 1101 of the tax law, as added
19 by chapter 93 of the laws of 1965, paragraphs 2, 3, 4 and 6 as amended
20 by section 2 and paragraph 8 as added by section 3 of part AA of chapter
21 57 of the laws of 2010, and paragraph 5 as amended by chapter 575 of the
22 laws of 1965, is amended to read as follows:

1 (c) When used in this article for the purposes of the tax imposed
2 under subdivision (e) of section eleven hundred five of this article,
3 the following terms shall mean:

4 (1) Hotel. A building or portion of it which is regularly used and
5 kept open as such for the lodging of guests. The term "hotel" includes
6 an apartment hotel, a motel, boarding house or club, whether or not
7 meals are served.

8 (2) Occupancy. The use or possession, or the right to the use or
9 possession, of any room in a hotel or vacation rental. "Right to the
10 use or possession" includes the rights of a room remarketer as described
11 in paragraph eight of this subdivision.

12 (3) Occupant. A person who, for a consideration, uses, possesses, or
13 has the right to use or possess, any room in a hotel or vacation rental
14 under any lease, concession, permit, right of access, license to use or
15 other agreement, or otherwise. "Right to use or possess" includes the
16 rights of a room remarketer as described in paragraph eight of this
17 subdivision.

18 (4) Operator. Any person operating a hotel or vacation rental. Such
19 term shall include a room remarketer and such room remarketer shall be
20 deemed to operate a hotel, or portion thereof, with respect to which
21 such person has the rights of a room remarketer.

22 (5) Permanent resident. Any occupant of any room or rooms in a hotel
23 or vacation rental for at least ninety consecutive days shall be consid-
24 ered a permanent resident with regard to the period of such occupancy.

25 (6) Rent. The consideration received for occupancy, including any
26 service or other charge or amount required to be paid as a condition for
27 occupancy, valued in money, whether received in money or otherwise and
28 whether received or collected by the vacation rental marketplace provid-

1 er, operator or a room remarketer or another person on behalf of either
2 of them.

3 (7) Room. Any room or rooms of any kind in any part or portion of a
4 hotel or vacation rental, which is available for or let out for any
5 purpose other than a place of assembly.

6 (8) Room remarketer. A person who reserves, arranges for, conveys, or
7 furnishes occupancy, whether directly or indirectly, to an occupant for
8 rent in a hotel for an amount determined by the room remarketer, direct-
9 ly or indirectly, whether pursuant to a written or other agreement. Such
10 person's ability or authority to reserve, arrange for, convey, or
11 furnish occupancy, directly or indirectly, and to determine rent there-
12 for, shall be the "rights of a room remarketer". A room remarketer is
13 not a permanent resident with respect to a room for which such person
14 has the rights of a room remarketer.

15 (9) Vacation rental. A building or portion of it that is used for the
16 lodging of guests. The term "vacation rental" includes a house, an
17 apartment, a condominium, a cooperative unit, a cabin, a cottage, a
18 bungalow, or a similar furnished living unit, or one or more rooms ther-
19 ein, where sleeping accommodations are provided for the lodging of
20 paying occupants, the typical occupants are transients or travelers, and
21 the relationship between the operator and occupant is not that of a
22 landlord and tenant. It is not necessary that meals are served. A build-
23 ing or portion of a building may qualify as a vacation rental whether or
24 not amenities, including but not limited to daily housekeeping services,
25 concierge services, or linen services, are provided.

26 (10) (i) Vacation rental marketplace provider. A person who, pursuant
27 to an agreement with an operator, facilitates the occupancy of a vaca-
28 tion rental by such operator or operators. A person "facilitates the

1 occupancy of a vacation rental" for purposes of this paragraph when the
2 person meets both of the following conditions: (A) such person provides
3 the forum in which, or by means of which, the sale of the occupancy
4 takes place or the offer of such sale is accepted, including a shop,
5 store, or booth, an internet website, catalog, or similar forum; and (B)
6 such person or an affiliate of such person collects the rent paid by a
7 customer to an operator for the occupancy of a vacation rental, or
8 contracts with a third party to collect such rent.

9 (ii) For the purposes of this article, the term "vacation rental
10 marketplace provider" shall not include a "room remarketer" as defined
11 in paragraph eight of this subdivision. For purposes of this paragraph,
12 persons are affiliated if one person has an ownership interest of more
13 than five percent, whether direct or indirect, in another, or where an
14 ownership interest of more than five percent, whether direct or indi-
15 rect, is held in each of such persons by another person or by a group of
16 other persons that are affiliated persons with respect to each other.

17 § 2. Subdivision (a) of section 1104 of the tax law, as added by chap-
18 ter 3 of the laws of 2004, is amended to read as follows:

19 (a) Imposition. In addition to any other fee or tax imposed by this
20 article or any other law, on and after April first, two thousand five,
21 there is hereby imposed within the territorial limits of a city with a
22 population of a million or more and there shall be paid a unit fee on
23 every occupancy of a unit in a hotel or vacation rental in such city at
24 the rate of one dollar and fifty cents per unit per day, except that
25 such unit fee shall not be imposed upon (1) occupancy by a permanent
26 resident or (2) where the rent per unit is not more than at the rate of
27 two dollars per day.

1 § 3. Paragraph 1 of subdivision (e) of section 1105 of the tax law, as
2 amended by section 1 of part Q of chapter 59 of the laws of 2012, is
3 amended to read as follows:

4 (1) The rent for every occupancy of a room or rooms in a hotel or
5 vacation rental in this state, except that the tax shall not be imposed
6 upon (i) a permanent resident, or (ii) where the rent is not more than
7 at the rate of two dollars per day.

8 § 4. Subdivisions 1 and 2 of section 1131 of the tax law, subdivision
9 1 as amended by section 2 of part G of chapter 59 of the laws of 2019
10 and subdivision 2 as added by chapter 93 of the laws of 1965, are
11 amended to read as follows:

12 (1) "Persons required to collect tax" or "person required to collect
13 any tax imposed by this article" shall include: every vendor of tangible
14 personal property or services; every recipient of amusement charges;
15 every operator of a hotel or vacation rental; every vacation rental
16 marketplace provider with respect to the rent for every occupancy of a
17 vacation rental it facilitates as described in paragraph ten of subdivi-
18 sion (c) of section eleven hundred one of this article; and every
19 marketplace provider with respect to sales of tangible personal property
20 it facilitates as described in paragraph one of subdivision (e) of
21 section eleven hundred one of this article. Said terms shall also
22 include any officer, director or employee of a corporation or of a
23 dissolved corporation, any employee of a partnership, any employee or
24 manager of a limited liability company, or any employee of an individual
25 proprietorship who as such officer, director, employee or manager is
26 under a duty to act for such corporation, partnership, limited liability
27 company or individual proprietorship in complying with any requirement
28 of this article, or has so acted; and any member of a partnership or

1 limited liability company. Provided, however, that any person who is a
2 vendor solely by reason of clause (D) or (E) of subparagraph (i) of
3 paragraph [(8)] eight of subdivision (b) of section eleven hundred one
4 of this article shall not be a "person required to collect any tax
5 imposed by this article" until twenty days after the date by which such
6 person is required to file a certificate of registration pursuant to
7 section eleven hundred thirty-four of this part. Such terms shall not
8 include an operator of a vacation rental who rents out the operator's
9 own property for three days or fewer in a calendar year and does not use
10 a vacation rental marketplace provider to facilitate such rental.

11 (2) "Customer" shall include: every purchaser of tangible personal
12 property or services; every patron paying or liable for the payment of
13 any amusement charge; and every occupant of a room or rooms in a hotel
14 or vacation rental.

15 § 5. Section 1132 of the tax law is amended by adding a new subdivi-
16 sion (m) to read as follows:

17 (m) (1) A vacation rental marketplace provider with respect to a sale
18 for every occupancy of a vacation rental it facilitates: (A) shall have
19 all the obligations and rights of a vendor under this article and arti-
20 cle twenty-nine of this chapter and under any regulations adopted pursu-
21 ant thereto, including, but not limited to, the duty to obtain a certif-
22 icate of authority, to collect tax, file returns, remit tax, and the
23 right to accept a certificate or other documentation from a customer
24 substantiating an exemption or exclusion from tax, the right to receive
25 the refund authorized by subdivision (e) of this section and the credit
26 allowed by subdivision (f) of section eleven hundred thirty-seven of
27 this part subject to the provisions of such subdivisions; and (B) shall
28 keep such records and information and cooperate with the commissioner to

1 ensure the proper collection and remittance of tax imposed, collected or
2 required to be collected under this article and article twenty-nine of
3 this chapter.

4 (2) An operator is relieved from the duty to collect tax in regard to
5 a particular rent for the occupancy of a vacation rental subject to tax
6 under subdivision (e) of section eleven hundred five of this article and
7 shall not include the rent from such occupancy in its taxable sales for
8 purposes of section eleven hundred thirty-six of this part if, in regard
9 to such occupancy: (A) the operator of the vacation rental can show that
10 such occupancy was facilitated by a vacation rental marketplace provider
11 from whom such operator has received in good faith a properly completed
12 certificate of collection in a form prescribed by the commissioner,
13 certifying that the vacation rental marketplace provider is registered
14 to collect sales tax and will collect sales tax on all taxable sales of
15 occupancy of a vacation rental by the operator facilitated by the vaca-
16 tion rental marketplace provider, and with such other information as the
17 commissioner may prescribe; and (B) any failure of the vacation rental
18 marketplace provider to collect the proper amount of tax in regard to
19 such sale was not the result of such operator providing the vacation
20 rental marketplace provider with incorrect information. This provision
21 shall be administered in a manner consistent with subparagraph (i) of
22 paragraph one of subdivision (c) of this section as if a certificate of
23 collection were a resale or exemption certificate for purposes of such
24 subparagraph, including with regard to the completeness of such certif-
25 icate of collection and the timing of its acceptance by the operator.
26 Provided that, with regard to any sales of occupancy of a vacation
27 rental by an operator that are facilitated by a vacation rental market-
28 place provider who is affiliated with such operator within the meaning

1 of paragraph ten of subdivision (c) of section eleven hundred one of
2 this article, the operator shall be deemed liable as a person under a
3 duty to act for such vacation rental marketplace provider for purposes
4 of subdivision one of section eleven hundred thirty-one of this part.

5 (3) The commissioner may, at their discretion: (A) develop a standard
6 provision, or approve a provision developed by a vacation rental market-
7 place provider, in which the vacation rental marketplace provider obli-
8 gates itself to collect the tax on behalf of all operators for whom the
9 vacation rental marketplace provider facilitates sales of occupancy of a
10 vacation rental, with respect to all sales that it facilitates for such
11 operators where the rental occurs in the state; and (B) provide by regu-
12 lation or otherwise that the inclusion of such provision in the public-
13 ly-available agreement between the vacation rental marketplace provider
14 and operator will have the same effect as an operator's acceptance of a
15 certificate of collection from such vacation rental marketplace provider
16 under paragraph two of this subdivision.

17 § 6. Section 1133 of the tax law is amended by adding a new subdivi-
18 sion (g) to read as follows:

19 (g) A vacation rental marketplace provider is relieved of liability
20 under this section for failure to collect the correct amount of tax to
21 the extent that the vacation rental marketplace provider can show that
22 the error was due to incorrect or insufficient information given to the
23 vacation rental marketplace provider by the operator. Provided, however,
24 this subdivision shall not apply if the operator and vacation rental
25 marketplace provider are affiliated within the meaning of paragraph ten
26 of subdivision (c) of section eleven hundred one of this article.

27 § 7. Subdivision (a) of section 1134 of the tax law is amended by
28 adding a new paragraph 7 to read as follows:

1 (7) An operator of a vacation rental, as defined in paragraph nine of
2 subdivision (c) of section eleven hundred one of this article, is
3 relieved of the requirement to register in paragraph one of this subdivi-
4 vision if its sales of occupancy are wholly facilitated by one or more
5 vacation rental marketplace providers from whom the operator has
6 received in good faith a certificate of collection that meets the
7 requirements set forth in paragraph two of subdivision (m) of section
8 eleven hundred thirty-two of this part or the vacation rental market-
9 place provider has included a provision approved by the commissioner in
10 the publicly-available agreement between the vacation rental marketplace
11 provider and the operator as described in subdivision (m) of section
12 eleven hundred thirty-two of this part.

13 § 8. Paragraph 4 of subdivision (a) of section 1136 of the tax law, as
14 amended by section 5 of part G of chapter 59 of the laws of 2019, is
15 amended to read as follows:

16 (4) The return of a vendor of tangible personal property or services
17 shall show such vendor's receipts from sales and the number of gallons
18 of any motor fuel or diesel motor fuel sold and also the aggregate value
19 of tangible personal property and services and number of gallons of such
20 fuels sold by the vendor, the use of which is subject to tax under this
21 article, and the amount of tax payable thereon pursuant to the
22 provisions of section eleven hundred thirty-seven of this part. The
23 return of a recipient of amusement charges shall show all such charges
24 and the amount of tax thereon, and the return of an operator required to
25 collect tax on rents shall show all rents received or charged and the
26 amount of tax thereon. The return of a marketplace seller shall exclude
27 the receipts from a sale of tangible personal property facilitated by a
28 marketplace provider if, in regard to such sale: (A) the marketplace

1 seller has timely received in good faith a properly completed certif-
2 icate of collection from the marketplace provider or the marketplace
3 provider has included a provision approved by the commissioner in the
4 publicly-available agreement between the marketplace provider and the
5 marketplace seller as described in subdivision one of section eleven
6 hundred thirty-two of this part, and (B) the information provided by the
7 marketplace seller to the marketplace provider about such tangible
8 personal property is accurate. The return of an operator shall exclude
9 the rent from occupancy of a vacation rental facilitated by a vacation
10 rental marketplace provider if, in regard to such sale: (A) the vacation
11 rental operator has timely received in good faith a properly completed
12 certificate of collection from the vacation rental marketplace provider
13 or the vacation rental marketplace provider has included a provision
14 approved by the commissioner in the publicly-available agreement between
15 the vacation rental marketplace provider and the operator as described
16 in subdivision (m) of section eleven hundred thirty-two of this part,
17 and (B) the information provided by the operator to the vacation rental
18 marketplace provider about such rent and such occupancy is accurate.

19 § 9. Subparagraph (B) of paragraph 3 of subdivision (a) of section
20 1138 of the tax law, as amended by chapter 456 of the laws of 1998, is
21 amended to read as follows:

22 (B) The liability, pursuant to subdivision (a) of section eleven
23 hundred thirty-three of this article, of any officer, director or
24 employee of a corporation or of a dissolved corporation, member or
25 employee of a partnership or employee of an individual proprietorship
26 who as such officer, director, employee or member is under a duty to act
27 for such corporation, partnership or individual proprietorship in
28 complying with any requirement of this article for the tax imposed,

1 collected or required to be collected, or for the tax required to be
2 paid or paid over to the [tax commission] commissioner under this arti-
3 cle, and the amount of such tax liability (whether or not a return is
4 filed under this article, whether or not such return when filed is
5 incorrect or insufficient, or where the tax shown to be due on the
6 return filed under this article has not been paid or has not been paid
7 in full) shall be determined by the [tax commission] commissioner in the
8 manner provided for in paragraphs one and two of this subdivision. Such
9 determination shall be an assessment of the tax and liability for the
10 tax with respect to such person unless such person, within ninety days
11 after the giving of notice of such determination, shall apply to the
12 division of tax appeals for a hearing. If such determination is identi-
13 cal to or arises out of a previously issued determination of tax of the
14 corporation, dissolved corporation, partnership or individual proprie-
15 torship for which such person is under a duty to act, an application
16 filed with the division of tax appeals on behalf of the corporation,
17 dissolved corporation, partnership or individual proprietorship shall be
18 deemed to include any and all subsequently issued personal determi-
19 nations and a separate application to the division of tax appeals for a
20 hearing shall not be required. The [tax commission] commissioner may,
21 nevertheless, of [its] their own motion, redetermine such determination
22 of tax or liability for tax. Where the [tax commission] commissioner
23 determines or redetermines that the amount of tax claimed to be due from
24 a vendor of tangible personal property or services, a recipient of
25 amusement charges, or an operator of a hotel or vacation rental is erro-
26 neous or excessive in whole or in part, [it] they shall redetermine the
27 amount of tax properly due from any such person as a person required to
28 collect tax with respect to such vendor, recipient, or operator, and if

1 such amount is less than the amount of tax for which such person would
2 have been liable in the absence of such determination or redetermi-
3 nation, [it] they shall reduce such liability accordingly. Furthermore,
4 the [tax commission] commissioner may, of [its] their own motion, abate
5 on behalf of any such person, any part of the tax determined to be erro-
6 neous or excessive whether or not such tax had become finally and irre-
7 vocably fixed with respect to such person but no claim for abatement may
8 be filed by any such person. The provisions of this paragraph shall not
9 be construed to limit in any manner the powers of the attorney general
10 under subdivision (a) of section eleven hundred forty-one of this part
11 or the powers of the [tax commission] commissioner to issue a warrant
12 under subdivision (b) of such section against any person whose liability
13 has become finally and irrevocably fixed.

14 § 10. Section 1142 of the tax law is amended by adding a new subdivi-
15 sion 16 to read as follows:

16 16. To publish on the department's website information regarding vaca-
17 tion rental marketplace providers that have a valid certificate of
18 authority and, if necessary to protect sales tax revenue, provide by
19 regulation or otherwise that a vacation rental operator will be relieved
20 of the requirement to register and the duty to collect tax on the rent
21 for occupancy of a vacation rental facilitated by a vacation rental
22 marketplace provider only if, in addition to the conditions prescribed
23 by paragraph two of subdivision (m) of section eleven hundred thirty-two
24 and paragraph six of subdivision (a) of section eleven hundred thirty-
25 four of this part being met, such vacation rental marketplace provider
26 has a valid certificate of authority at the commencement of the quarter-
27 ly period covered thereby.

1 § 11. Subparagraph (i) of paragraph 3 of subdivision (a) of section
2 1145 of the tax law, as amended by section 48 of part K of chapter 61 of
3 the laws of 2011, is amended to read as follows:

4 (i) Any person required to obtain a certificate of authority under
5 section eleven hundred thirty-four of this part who, without possessing
6 a valid certificate of authority, (A) sells tangible personal property
7 or services subject to tax, receives amusement charges or operates a
8 hotel or vacation rental, (B) purchases or sells tangible personal prop-
9 erty for resale, (C) sells petroleum products, or (D) sells cigarettes
10 shall, in addition to any other penalty imposed by this chapter, be
11 subject to a penalty in an amount not exceeding five hundred dollars for
12 the first day on which such sales or purchases are made, plus an amount
13 not exceeding two hundred dollars for each subsequent day on which such
14 sales or purchases are made, not to exceed ten thousand dollars in the
15 aggregate.

16 § 12. Subparagraph (v) of paragraph 4 of subdivision (a) of section
17 1210 of the tax law, as amended by section 2 of part WW of chapter 60 of
18 the laws of 2016, is amended to read as follows:

19 (v) shall provide that, for purposes of the tax described in subdivi-
20 sion (e) of section eleven hundred five of this chapter, "permanent
21 resident" means any occupant of any room or rooms in a hotel or vacation
22 rental for at least one hundred eighty consecutive days with regard to
23 the period of such occupancy;

24 § 13. Subdivisions (a) and (b) of section 1817 of the tax law, as
25 amended by section 53 of part K of chapter 61 of the laws of 2011, are
26 amended to read as follows:

27 (a) Any person required to obtain a certificate of authority under
28 section eleven hundred thirty-four of this chapter who, without possess-

1 ing a valid certificate of authority, willfully (1) sells tangible
2 personal property or services subject to tax, receives amusement charges
3 or operates a hotel or vacation rental, (2) purchases or sells tangible
4 personal property for resale, or (3) sells petroleum products; and any
5 person who fails to surrender a certificate of authority as required by
6 such article shall be guilty of a misdemeanor.

7 (b) Any person required to obtain a certificate of authority under
8 section eleven hundred thirty-four of this chapter who within five years
9 after a determination by the commissioner, pursuant to such section, to
10 suspend, revoke or refuse to issue a certificate of authority has become
11 final, and without possession of a valid certificate of authority (1)
12 sells tangible personal property or services subject to tax, receives
13 amusement charges or operates a hotel or vacation rental, (2) purchases
14 or sells tangible personal property for resale, or (3) sells petroleum
15 products, shall be guilty of a misdemeanor. It shall be an affirmative
16 defense that such person performed the acts described in this subdivi-
17 sion without knowledge of such determination. Any person who violates a
18 provision of this subdivision, upon conviction, shall be subject to a
19 fine in any amount authorized by this article, but not less than five
20 hundred dollars, in addition to any other penalty provided by law.

21 § 14. This act shall take effect immediately and shall apply to
22 collections of rent by an operator or vacation rental marketplace
23 provider on or after September 1, 2024.

24 PART L

25 Section 1. Subdivision (a) of section 493 of the tax law, as added by
26 chapter 92 of the laws of 2021, is amended to read as follows:

1 (a) There is hereby imposed a tax on adult-use cannabis products sold
2 by a distributor to a person who sells adult-use cannabis products at
3 retail at the [following rates:

4 (1) cannabis flower at the rate of five-tenths of one cent per milli-
5 gram of the amount of total THC, as reflected on the product label;

6 (2) concentrated cannabis at the rate of eight-tenths of one cent per
7 milligram of the amount of total THC, as reflected on the product label;

8 and

9 (3) cannabis edible product at the rate of three cents per milligram
10 of the amount of total THC, as reflected on the product label. This tax
11 shall accrue at the time of such sale or transfer. Where] rate of nine
12 percent of the amount charged for the sale or transfer of such adult-use
13 cannabis products to such retailer; provided that where a person who
14 distributes adult-use cannabis is licensed under the cannabis law as a
15 microbusiness or registered organization and such person sells adult-use
16 cannabis products at retail, such person shall be liable for the tax,
17 [and] such tax shall accrue at the time of the retail sale, and the
18 amount subject to the tax imposed by this subdivision shall be seventy-
19 five percent of the amount charged by such person for the sale or trans-
20 fer of such products to a retail customer.

21 § 2. Subdivision (a) of section 496-b of the tax law, as added by
22 chapter 92 of the laws of 2021, is amended to read as follows:

23 (a) The provisions of part four of article [twenty-seven] twenty-eight
24 of this chapter shall apply to the taxes imposed by section four hundred
25 ninety-three of this article in the same manner and with the same force
26 and effect as if the language of such article had been incorporated in
27 full into this section and had expressly referred to the tax imposed by
28 this article, except to the extent that any provision of such article is

1 either inconsistent with a provision of this article or is not relevant
2 to this article.

3 § 3. This act shall take effect immediately; provided, however, that
4 section one of this act shall apply to sales of adult-use cannabis
5 products on or after June 1, 2024, and section two of this act shall
6 apply to sales of adult-use cannabis products on or after December 1,
7 2024.

8 PART M

9 Section 1. Paragraph (i) of subdivision 12 of section 102 of the real
10 property tax law, as added by chapter 416 of the laws of 1987, is
11 amended to read as follows:

12 (i) When owned by other than a telephone company as such term is
13 defined in paragraph (d) hereof, all lines, wires, poles, supports and
14 inclosures for electrical conductors upon, above and underground used in
15 connection with the transmission or switching of electromagnetic voice,
16 video and data signals between different entities separated by air,
17 street or other public domain, except that such property shall not
18 include: (A) station connections; (B) fire and surveillance alarm system
19 property; (C) such property used in the transmission of news wire
20 services; and (D) such property primarily or exclusively used in the
21 transmission of news or entertainment radio, television or cable tele-
22 vision signals for immediate, delayed or ultimate exhibition to the
23 public, whether or not a fee is charged therefor.

24 § 2. This act shall take effect immediately.

25 PART N

1 Section 1. Subdivision 1 of section 1102 of the real property tax law,
2 as amended by chapter 532 of the laws of 1994, is amended to read as
3 follows:

4 1. "Charges" or "legal charges" means:

5 (a) the cost of the mailing or service of notices required or author-
6 ized by this article;

7 (b) the cost of publication of notices required or authorized by this
8 title;

9 (c) the amount of any interest and penalties imposed by law;

10 (d) the cost of recording or filing legal documents required or
11 authorized by this article; [and]

12 (e) the reasonable and necessary cost of any search of the public
13 record required or authorized to satisfy the notice requirements of this
14 article, and [the] other reasonable and necessary expenses [for legal
15 services of] incurred by a tax district in connection with a proceeding
16 to foreclose a tax lien, including, and without limitation, administra-
17 tive, auction and reasonable attorney fees and/or costs associated with
18 the foreclosure process; provided, that: (i) a charge of up to [one]
19 either two hundred fifty dollars per parcel, or two percent of the sum
20 of the taxes, interest and penalties due on the parcel, whichever is
21 greater, shall be deemed reasonable and necessary to cover the combined
22 costs of such searches and [legal expenses] the other reasonable and
23 necessary costs and expenses delineated in this paragraph, and such an
24 amount may be charged without substantiation, even if salaried employees
25 of the tax district performed [the search or legal] some or all of such
26 services; and (ii) a tax district may charge a greater amount with
27 respect to one or more parcels upon demonstration to the satisfaction of

1 the court having jurisdiction that such greater amount was reasonable
2 and necessary; and

3 (f) the amount owed to the tax district by virtue of a judgment lien,
4 a mortgage lien, or any other lien held by the tax district that is not
5 a delinquent tax lien.

6 Charges shall be deemed a part of the delinquent tax for purposes of
7 redemption.

8 § 2. Subdivision 2 of section 1104 of the real property tax law, as
9 amended by chapter 532 of the laws of 1994, paragraph (iii) as further
10 amended by subdivision (b) of section 1 of part W of chapter 56 of the
11 laws of 2010, is amended to read as follows:

12 2. The provisions of this article shall not be applicable to a county,
13 city or town which: (i) on January first, nineteen hundred ninety-three,
14 was authorized to enforce the collection of delinquent taxes pursuant to
15 a county charter, city charter, administrative code or special law; (ii)
16 adopted a local law, no later than July first, nineteen hundred ninety-
17 four, providing that the collection of taxes in such county, city or
18 town shall continue to be enforced pursuant to such charter, code or
19 special law, as such charter, code or special law may from time to time
20 be amended; and (iii) filed a copy of such local law with the commis-
21 sioner no later than August first, nineteen hundred ninety-four.
22 Provided, however, that notwithstanding any provisions of any general,
23 special or local law to the contrary, if such charter, code or special
24 law does not include provisions allowing for any "surplus" as defined by
25 section eleven hundred ninety-five of this article to be paid to the
26 former owner or other parties whose interests were extinguished by the
27 foreclosure of a delinquent tax lien, then until such charter, code of
28 special law is amended to include such provisions, any claims for

1 surplus within such tax district shall be administered in a manner
2 substantially similar to that prescribed by title six of this article.

3 § 3. Paragraph (d) of subdivision 2 of section 1136 of the real prop-
4 erty tax law, as amended by chapter 532 of the laws of 1994, is amended
5 to read as follows:

6 (d) In directing any conveyance pursuant to this subdivision, the
7 judgment shall direct the enforcing officer of the tax district to
8 prepare and execute a deed conveying title to the parcel or parcels of
9 real property concerned. Such title shall be full and complete in the
10 absence of an agreement between tax districts as herein provided that it
11 shall be subject to the tax liens of one or more tax districts. Upon the
12 execution of such deed, the grantee shall be seized of an estate in fee
13 simple absolute in such parcel unless the conveyance is expressly made
14 subject to tax liens of a tax district as herein provided, and all
15 persons, including the state, infants, incompetents, absentees and non-
16 residents, who may have had any right, title, interest, claim, lien or
17 equity of redemption in or upon such parcel, shall be barred and forever
18 foreclosed of all such right, title, interest, claim, lien or equity of
19 redemption. Nothing contained herein shall be construed to preclude any
20 such person from filing a claim pursuant to title six of this article
21 for a share of any surplus that may be attributable to the sale of such
22 parcel.

23 § 4. Subdivision 3 of section 1136 of the real property tax law, as
24 amended by chapter 532 of the laws of 1994, is amended to read as
25 follows:

26 3. When no answer has been interposed. (a) The court shall make a
27 final judgment awarding to such tax district the possession of any
28 parcel of real property described in the petition of foreclosure not

1 redeemed as provided in this title and as to which no answer is inter-
2 posed as provided herein. In addition thereto such judgment shall
3 contain a direction to the enforcing officer of the tax district to
4 prepare, execute and cause to be recorded a deed conveying to such tax
5 district full and complete title to such parcel.

6 (b) Alternatively, at the request of the enforcing officer, the court
7 may make a final judgment authorizing the enforcing officer to prepare,
8 execute and cause to be recorded a deed conveying full and complete
9 title to such parcel directly to a party other than the tax district,
10 without the tax district taking title thereto.

11 (c) Upon the execution of such deed, the tax district, or the grantee
12 as the case may be, shall be seized of an estate in fee simple absolute
13 in such parcel and all persons, including the state, infants, incompe-
14 tents, absentees and non-residents who may have had any right, title,
15 interest, claim, lien or equity of redemption in or upon such parcel
16 shall be barred and forever foreclosed of all such right, title, inter-
17 est, claim, lien or equity of redemption. Nothing contained herein
18 shall be construed to preclude any such person from filing a claim
19 pursuant to title six of this article for a share of any surplus that
20 may be attributable to the sale of such parcel.

21 § 5. Section 1136 of the real property tax law is amended by adding a
22 new subdivision 4 to read as follows:

23 4. (a) Notwithstanding any other provision of law to the contrary,
24 when a parcel is subject to a judgment of foreclosure issued pursuant to
25 this section but has not yet been conveyed to a third party, the tax
26 district may, at its discretion, convey title to the parcel back to the
27 former owner or owners, or to the successor or successors in interest if
28 any, upon payment of the taxes, penalties, interest and other lawful

1 charges owed to the tax district, subject to the provisions of paragraph
2 (b) of this subdivision.

3 (b) If immediately prior to the issuance of the judgment of foreclo-
4 sure, any other person had any right, title, interest, claim, lien or
5 equity of redemption in or upon such parcel, the deed conveying the
6 parcel back to the former owner or owners, or to their successor or
7 successors in interest, shall state that the conveyance shall become
8 subject to the right, title, interest, claim, lien or equity of redemp-
9 tion of any other person that had been extinguished by the judgment of
10 foreclosure, once such right, title, interest, claim, lien or equity of
11 redemption has been reinstated nunc pro tunc pursuant to the provisions
12 of this paragraph. Upon the execution of such deed, the tax district
13 shall cause a copy thereof to be filed with the court, which shall
14 direct the reinstatement of any such right, title, interest, claim, lien
15 or equity of redemption in such parcel nunc pro tunc.

16 § 6. Section 1166 of the real property tax law, as amended by chapter
17 532 of the laws of 1994, subdivision 1 as amended by chapter 500 of the
18 laws of 2015, is amended to read as follows:

19 § 1166. Real property acquired by tax district; right of sale. 1.
20 Whenever any tax district shall become vested with the title to real
21 property, and whenever an enforcing officer shall have been authorized
22 to sell and convey real property directly to another party, by virtue of
23 a foreclosure proceeding brought pursuant to the provisions of this
24 article, such tax district or enforcing officer is hereby authorized to
25 sell and convey [the] such real property [so acquired], which shall
26 include any and all gas, oil or mineral rights associated with such real
27 property, either with or without advertising for bids, notwithstanding
28 the provisions of any general, special or local law.

1 2. No such sale shall be effective unless and until such sale shall
2 have been approved and confirmed by a majority vote of the governing
3 body of the tax district, except that no such approval shall be required
4 when the property is sold at public auction to the highest bidder.

5 3. The provisions of title six of this article shall govern the
6 distribution of any surplus attributable to such sales.

7 § 7. Article 11 of the real property tax law is amended by adding a
8 new title 6 to read as follows:

9 TITLE 6

10 DISTRIBUTION OF SURPLUS

11 Section 1195. Definitions.

12 1196. Determination of existence and amount of surplus.

13 1197. Claims for surplus.

14 § 1195. Definitions. In addition to the definitions set forth in
15 section eleven hundred two of this article, for purposes of this title:

16 1. "Public sale" means a sale resulting from a public auction
17 conducted in accordance with the provisions of section two hundred thir-
18 ty-one of the real property actions and proceedings law.

19 2. "Surplus" means the net gain, if any, realized by the tax district
20 upon the sale of tax-foreclosed property, as determined in the manner
21 set forth in section eleven hundred ninety-six of this article. Where
22 no such gain was realized, no surplus shall be attributable to that
23 sale.

24 3. "Tax-foreclosed property" means a parcel as to which a judgment of
25 foreclosure has been issued pursuant to section eleven hundred thirty-
26 six of this article.

27 § 1196. Determination of existence and amount of surplus. 1. (a)
28 Within forty-five days after the sale of tax-foreclosed property, the

1 enforcing officer shall determine whether a surplus is attributable to
2 such sale and if so, the amount thereof. Such determination shall be
3 made by ascertaining the sum of the total amount of taxes due plus
4 interest, penalties and other charges as defined by section eleven
5 hundred two of this article, and subtracting such sum from whichever of
6 the following is applicable:

7 (i) where the sale was a public sale, the amount paid for the proper-
8 ty;

9 (ii) where the sale was not a public sale, the full value of the prop-
10 erty as shown on the most recent tax roll, or if available, an estimate
11 of the property's value developed by the enforcing officer. Provided,
12 that the enforcing officer may develop such an estimate only where it
13 has been demonstrated to the satisfaction of such officer that the prop-
14 erty is worth significantly more or less than the full value shown on
15 the most recent tax roll. Nothing contained herein shall be construed
16 to impose any obligation upon the enforcing officer to develop estimated
17 values for this purpose.

18 (b) For purposes of this subdivision, where the enforcing officer has
19 been notified that the tax district intends to retain tax-foreclosed
20 property for a public use, the property shall be deemed to have been
21 sold on the date that the enforcing officer was so notified, and the
22 enforcing officer shall determine the existence and amount of a surplus
23 relative to such property in the manner provided by subparagraph (ii) of
24 paragraph (a) of this subdivision.

25 2. (a) If the enforcing officer determines that no surplus is attrib-
26 utable to the sale, such enforcing officer shall submit a report to the
27 court describing the circumstances of the sale, stating that no surplus

1 was attributable to the sale and demonstrating how the enforcing officer
2 reached that conclusion.

3 (b) If the enforcing officer determines that a surplus is attributable
4 to the sale, such enforcing officer shall submit a report to the court
5 describing the circumstances of the sale, stating that a surplus was
6 attributable to the sale, and demonstrating how the amount of the
7 surplus was determined. Such surplus shall be paid to the court there-
8 with. Within ten days of submitting such report, the enforcing officer
9 shall notify the former property owner that a surplus was attributable
10 to the sale of such property, that such surplus has been paid into
11 court, and that the court will notify the interested parties of the
12 procedure to be followed in order to make a claim for a share of the
13 surplus.

14 (c) Where the enforcing officer's determination of surplus is based
15 upon such enforcing officer's estimate of the property's value, the
16 enforcing officer's report to the court shall set forth an explanation
17 of how this estimate was made, including the evidence upon which it was
18 based.

19 3. Upon approval by the court of the enforcing officer's report, the
20 tax district shall have no further responsibilities in relation to the
21 parcel or any surplus attributable thereto, subject to the extent the
22 court directs otherwise pursuant to section eleven hundred ninety-seven
23 of this title.

24 § 1197. Claims for surplus. 1. Any person who had any right, title,
25 interest, claim, lien or equity of redemption in or upon a parcel imme-
26 diately prior to the issuance of the judgment of foreclosure may file a
27 claim with the court having jurisdiction for a share of any surplus
28 resulting from the sale of such property. Such claims shall be adminis-

1 tered and adjudicated, and such surplus shall be distributed, in the
2 same manner as in an action to foreclose a mortgage pursuant to article
3 thirteen of the real property actions and proceedings law, subject to
4 the provisions of this section.

5 2. (a) Where the property was sold by a public sale, the amount paid
6 for the property shall be accepted as the full value of the property.
7 No party may maintain a claim for surplus or any other claim or action
8 against the tax district on the basis that the amount paid for the prop-
9 erty did not fairly represent the property's value.

10 (b) Where the property was sold by other than a public sale, a claim-
11 ant may make a motion, upon notice to the enforcing officer, for the
12 surplus to be recalculated on the basis that the property's full value
13 on the date of the sale was substantially higher than the value used to
14 measure the surplus pursuant to subparagraph (ii) of paragraph (a) of
15 subdivision one of section eleven hundred ninety-six of this title. If
16 the court or its referee finds that a preponderance of the evidence
17 supports the claimant's position, the court may direct the enforcing
18 officer to recalculate the surplus based upon the property's value as
19 determined by the court or referee. The court may further direct the
20 enforcing officer to pay the difference into court to be distributed as
21 required by this section.

22 3. Where the court has appointed a referee to preside over the
23 proceedings pursuant to subdivision two of section thirteen hundred
24 sixty-one of the real property actions and proceedings law, it shall not
25 be necessary for such referee to make a report of such proceedings; nor
26 shall it be necessary for the court to confirm by order or otherwise
27 such proceedings.

1 4. At the conclusion of such proceedings, any surplus funds that have
2 not been claimed shall be deemed abandoned but shall be paid to the tax
3 district, not to the state comptroller, and shall be used by the tax
4 district to reduce its tax levy.

5 5. Notwithstanding any provision of this section or any other law to
6 the contrary, in the case of abandoned real property, no person other
7 than the tax district shall have any right to any surplus attributable
8 thereto. For purposes of this title, real property shall be deemed
9 abandoned if it:

10 (a) has been included on a local municipal roll, registry or list of
11 vacant and abandoned residential property pursuant to section eleven
12 hundred eleven-a of this article, or

13 (b) has been certified as abandoned commercial or industrial real
14 property pursuant to article nineteen-A of the real property actions and
15 proceedings law, or

16 (c) has been included on the statewide registry of vacant and aban-
17 doned property pursuant to section thirteen hundred ten of the real
18 property actions and proceedings law.

19 6. To the extent the provisions of article thirteen of the real prop-
20 erty actions and proceedings law are inconsistent with the provisions of
21 this article, the provisions of this article shall govern.

22 § 8. Severability clause. If any clause, sentence, paragraph, subdivi-
23 sion, section or subpart contained in any part of this act shall be
24 adjudged by any court of competent jurisdiction to be invalid, such
25 judgment shall not affect, impair, or invalidate the remainder thereof,
26 but shall be confined in its operation to the clause, sentence, para-
27 graph, subdivision, section or subpart contained in any part thereof
28 directly involved in the controversy in which such judgment shall have

1 been rendered. It is hereby declared to be the intent of the legislature
2 that this act would have been enacted even if such invalid provisions
3 had not been included herein.

4 § 9. This act shall take effect immediately and shall be deemed to
5 have been in full force and effect on and after May 25, 2023, provided
6 that:

7 1. In a tax district that is subject to the provisions of title 6 of
8 article 11 of the real property tax law as added by section seven of
9 this act, where a tax-foreclosed property has been sold on or after May
10 25, 2023 and prior to the effective date of this act, the enforcing
11 officer of the tax district shall have six months from the effective
12 date of this act to submit to the court the report required by section
13 1196 of the real property tax law as added by section seven of this act
14 regarding the existence and amount of surplus and to pay such surplus to
15 the court.

16 2. Whether or not a tax district is subject to the provisions of title
17 6 of article 11 of the real property tax law as added by section seven
18 of this act, where a tax-foreclosed property was sold prior to May 25,
19 2023, a claim for surplus attributable to such sale may be maintained if
20 and only if a proceeding to compel such tax district to distribute such
21 surplus to the petitioner or petitioners had been initiated pursuant to
22 subdivision 1 of section 7803 of the civil practice law and rules, such
23 proceeding was commenced in a timely manner as provided by section 217
24 of such chapter, and such proceeding was still active on the effective
25 date of this act.

1 Section 1. Subdivision 2 of section 509-a of the racing, pari-mutuel
2 wagering and breeding law, as amended by section 1 of part 00 of chapter
3 56 of the laws of 2023, is amended to read as follows:

4 2. a. Notwithstanding any other provision of law or regulation to the
5 contrary, from April nineteenth, two thousand twenty-one to March thir-
6 ty-first, two thousand twenty-two, twenty-three percent of the funds,
7 not to exceed two and one-half million dollars, in the Catskill off-
8 track betting corporation's capital acquisition fund and twenty-three
9 percent of the funds, not to exceed four hundred forty thousand dollars,
10 in the Capital off-track betting corporation's capital acquisition fund
11 established pursuant to this section shall also be available to such
12 off-track betting corporation for the purposes of statutory obligations,
13 payroll, and expenditures necessary to accept authorized wagers.

14 b. Notwithstanding any other provision of law or regulation to the
15 contrary, from April first, two thousand twenty-two to March thirty-
16 first, two thousand twenty-three, twenty-three percent of the funds, not
17 to exceed two and one-half million dollars, in the Catskill off-track
18 betting corporation's capital acquisition fund established pursuant to
19 this section, and twenty-three percent of the funds, not to exceed four
20 hundred forty thousand dollars, in the Capital off-track betting corpo-
21 ration's capital acquisition fund established pursuant to this section,
22 shall be available to such off-track betting corporations for the
23 purposes of statutory obligations, payroll, and expenditures necessary
24 to accept authorized wagers.

25 c. Notwithstanding any other provision of law or regulation to the
26 contrary, from April first, two thousand twenty-three to March thirty-
27 first, two thousand twenty-four, twenty-three percent of the funds, not
28 to exceed two and one-half million dollars, in the Catskill off-track

1 betting corporation's capital acquisition fund established pursuant to
2 this section, and one million dollars in the Capital off-track betting
3 corporation's capital acquisition fund established pursuant to this
4 section, shall be available to such off-track betting corporation for
5 the purposes of expenditures necessary to accept authorized wagers; past
6 due statutory obligations to New York licensed or franchised racing
7 corporations or associations; past due contractual obligations due to
8 other racing associations or organizations for the costs of acquiring a
9 simulcast signal; past due statutory payment obligations due to the New
10 York state thoroughbred breeding and development fund corporation, agri-
11 culture and New York state horse breeding development fund, and the
12 Harry M. Zweig memorial fund for equine research; and past due obli-
13 gations due the state.

14 d. Notwithstanding any other provision of law or regulation to the
15 contrary, from April first, two thousand twenty-four to March thirty-
16 first, two thousand twenty-five, one million dollars in the Capital
17 off-track betting corporation's capital acquisition fund established
18 pursuant to this section, shall be available to such off-track betting
19 corporation for the purposes of expenditures necessary to accept author-
20 ized wagers; past due statutory obligations to New York licensed or
21 franchised racing corporations or associations; past due contractual
22 obligations due to other racing associations or organizations for the
23 costs of acquiring a simulcast signal; past due statutory payment obli-
24 gations due to the New York state thoroughbred breeding and development
25 fund corporation, agriculture and New York state horse breeding develop-
26 ment fund, and the Harry M. Zweig memorial fund for equine research; and
27 past due obligations due the state.

1 e. Prior to a corporation being able to utilize the funds authorized
2 by paragraph c or d of this subdivision, the corporation must attest
3 that the surcharge monies from section five hundred thirty-two of this
4 chapter are being held separate and apart from any amounts otherwise
5 authorized to be retained from pari-mutuel pools and all surcharge
6 monies have been and will continue to be paid to the localities as
7 prescribed in law. Once this condition is satisfied, the corporation
8 must submit an expenditure plan to the gaming commission for review.
9 Such plan shall include the corporation's outstanding liabilities,
10 projected revenue for the upcoming year, a detailed explanation of how
11 the funds will be used, and any other information necessary to detail
12 such plan as determined by the commission. Upon review, the commission
13 shall make a determination as to whether the requirements of this para-
14 graph have been satisfied and notify the corporation of expenditure plan
15 approval. In the event the commission determines the requirements of
16 this paragraph have not been satisfied, the commission shall notify the
17 corporation of all deficiencies necessary for approval. As a condition
18 of such expenditure plan approval, the corporation shall provide a
19 report to the commission no later than [October first, two thousand
20 twenty-three] the last day of the calendar year for which the funds are
21 requested, which shall include an accounting of the use of such funds.
22 At such time, the commission may cause an independent audit to be
23 conducted of the corporation's books to ensure that all moneys were
24 spent as indicated in such approved plan. The audit shall be paid for
25 from money in the fund established by this section. If the audit deter-
26 mines that a corporation used the money authorized under this section
27 for a purpose other than one listed in their expenditure plan, then the

1 corporation shall reimburse the capital acquisition fund for the unau-
2 thorized amount.

3 § 2. This act shall take effect immediately.

4 PART P

5 Section 1. Paragraph (a) of subdivision 1 of section 1003 of the
6 racing, pari-mutuel wagering and breeding law, as amended by section 1
7 of part BB of chapter 59 of the laws of 2023, is amended to read as
8 follows:

9 (a) Any racing association or corporation or regional off-track
10 betting corporation, authorized to conduct pari-mutuel wagering under
11 this chapter, desiring to display the simulcast of horse races on which
12 pari-mutuel betting shall be permitted in the manner and subject to the
13 conditions provided for in this article may apply to the commission for
14 a license so to do. Applications for licenses shall be in such form as
15 may be prescribed by the commission and shall contain such information
16 or other material or evidence as the commission may require. No license
17 shall be issued by the commission authorizing the simulcast transmission
18 of thoroughbred races from a track located in Suffolk county. The fee
19 for such licenses shall be five hundred dollars per simulcast facility
20 and for account wagering licensees that do not operate either a simul-
21 cast facility that is open to the public within the state of New York or
22 a licensed racetrack within the state, twenty thousand dollars per year
23 payable by the licensee to the commission for deposit into the general
24 fund. Except as provided in this section, the commission shall not
25 approve any application to conduct simulcasting into individual or group
26 residences, homes or other areas for the purposes of or in connection

1 with pari-mutuel wagering. The commission may approve simulcasting into
2 residences, homes or other areas to be conducted jointly by one or more
3 regional off-track betting corporations and one or more of the follow-
4 ing: a franchised corporation, thoroughbred racing corporation or a
5 harness racing corporation or association; provided (i) the simulcasting
6 consists only of those races on which pari-mutuel betting is authorized
7 by this chapter at one or more simulcast facilities for each of the
8 contracting off-track betting corporations which shall include wagers
9 made in accordance with section one thousand fifteen, one thousand
10 sixteen and one thousand seventeen of this article; provided further
11 that the contract provisions or other simulcast arrangements for such
12 simulcast facility shall be no less favorable than those in effect on
13 January first, two thousand five; (ii) that each off-track betting
14 corporation having within its geographic boundaries such residences,
15 homes or other areas technically capable of receiving the simulcast
16 signal shall be a contracting party; (iii) the distribution of revenues
17 shall be subject to contractual agreement of the parties except that
18 statutory payments to non-contracting parties, if any, may not be
19 reduced; provided, however, that nothing herein to the contrary shall
20 prevent a track from televising its races on an irregular basis primari-
21 ly for promotional or marketing purposes as found by the commission. For
22 purposes of this paragraph, the provisions of section one thousand thir-
23 teen of this article shall not apply. Any agreement authorizing an
24 in-home simulcasting experiment commencing prior to May fifteenth, nine-
25 teen hundred ninety-five, may, and all its terms, be extended until June
26 thirtieth, two thousand [twenty-four] twenty-five; provided, however,
27 that any party to such agreement may elect to terminate such agreement
28 upon conveying written notice to all other parties of such agreement at

1 least forty-five days prior to the effective date of the termination,
2 via registered mail. Any party to an agreement receiving such notice of
3 an intent to terminate, may request the commission to mediate between
4 the parties new terms and conditions in a replacement agreement between
5 the parties as will permit continuation of an in-home experiment until
6 June thirtieth, two thousand [twenty-four] twenty-five; and (iv) no
7 in-home simulcasting in the thoroughbred special betting district shall
8 occur without the approval of the regional thoroughbred track.

9 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section
10 1007 of the racing, pari-mutuel wagering and breeding law, as amended by
11 section 2 of part BB of chapter 59 of the laws of 2023, is amended to
12 read as follows:

13 (iii) Of the sums retained by a receiving track located in Westchester
14 county on races received from a franchised corporation, for the period
15 commencing January first, two thousand eight and continuing through June
16 thirtieth, two thousand [twenty-four] twenty-five, the amount used
17 exclusively for purses to be awarded at races conducted by such receiv-
18 ing track shall be computed as follows: of the sums so retained, two and
19 one-half percent of the total pools. Such amount shall be increased or
20 decreased in the amount of fifty percent of the difference in total
21 commissions determined by comparing the total commissions available
22 after July twenty-first, nineteen hundred ninety-five to the total
23 commissions that would have been available to such track prior to July
24 twenty-first, nineteen hundred ninety-five.

25 § 3. The opening paragraph of subdivision 1 of section 1014 of the
26 racing, pari-mutuel wagering and breeding law, as amended by section 3
27 of part BB of chapter 59 of the laws of 2023, is amended to read as
28 follows:

1 The provisions of this section shall govern the simulcasting of races
2 conducted at thoroughbred tracks located in another state or country on
3 any day during which a franchised corporation is conducting a race meet-
4 ing in Saratoga county at Saratoga thoroughbred racetrack until June
5 thirtieth, two thousand [twenty-four] twenty-five and on any day regard-
6 less of whether or not a franchised corporation is conducting a race
7 meeting in Saratoga county at Saratoga thoroughbred racetrack after June
8 thirtieth, two thousand [twenty-four] twenty-five. On any day on which a
9 franchised corporation has not scheduled a racing program but a
10 thoroughbred racing corporation located within the state is conducting
11 racing, each off-track betting corporation branch office and each simul-
12 casting facility licensed in accordance with section one thousand seven
13 (that has entered into a written agreement with such facility's repre-
14 sentative horsemen's organization, as approved by the commission), one
15 thousand eight, or one thousand nine of this article shall be authorized
16 to accept wagers and display the live simulcast signal from thoroughbred
17 tracks located in another state or foreign country subject to the
18 following provisions:

19 § 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering
20 and breeding law, as amended by section 4 of part BB of chapter 59 of
21 the laws of 2023, is amended to read as follows:

22 1. The provisions of this section shall govern the simulcasting of
23 races conducted at harness tracks located in another state or country
24 during the period July first, nineteen hundred ninety-four through June
25 thirtieth, two thousand [twenty-four] twenty-five. This section shall
26 supersede all inconsistent provisions of this chapter.

27 § 5. The opening paragraph of subdivision 1 of section 1016 of the
28 racing, pari-mutuel wagering and breeding law, as amended by section 5

1 of part BB of chapter 59 of the laws of 2023, is amended to read as
2 follows:

3 The provisions of this section shall govern the simulcasting of races
4 conducted at thoroughbred tracks located in another state or country on
5 any day during which a franchised corporation is not conducting a race
6 meeting in Saratoga county at Saratoga thoroughbred racetrack until June
7 thirtieth, two thousand [twenty-four] twenty-five. Every off-track
8 betting corporation branch office and every simulcasting facility
9 licensed in accordance with section one thousand seven that have entered
10 into a written agreement with such facility's representative horsemen's
11 organization as approved by the commission, one thousand eight or one
12 thousand nine of this article shall be authorized to accept wagers and
13 display the live full-card simulcast signal of thoroughbred tracks
14 (which may include quarter horse or mixed meetings provided that all
15 such wagering on such races shall be construed to be thoroughbred races)
16 located in another state or foreign country, subject to the following
17 provisions; provided, however, no such written agreement shall be
18 required of a franchised corporation licensed in accordance with section
19 one thousand seven of this article:

20 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel
21 wagering and breeding law, as amended by section 6 of part BB of chapter
22 59 of the laws of 2023, is amended to read as follows:

23 Notwithstanding any other provision of this chapter, for the period
24 July twenty-fifth, two thousand one through September eighth, two thou-
25 sand [twenty-three] twenty-four, when a franchised corporation is
26 conducting a race meeting within the state at Saratoga Race Course,
27 every off-track betting corporation branch office and every simulcasting
28 facility licensed in accordance with section one thousand seven (that

1 has entered into a written agreement with such facility's representative
2 horsemen's organization as approved by the commission), one thousand
3 eight or one thousand nine of this article shall be authorized to accept
4 wagers and display the live simulcast signal from thoroughbred tracks
5 located in another state, provided that such facility shall accept
6 wagers on races run at all in-state thoroughbred tracks which are
7 conducting racing programs subject to the following provisions;
8 provided, however, no such written agreement shall be required of a
9 franchised corporation licensed in accordance with section one thousand
10 seven of this article.

11 § 7. Section 32 of chapter 281 of the laws of 1994, amending the
12 racing, pari-mutuel wagering and breeding law and other laws relating to
13 simulcasting, as amended by section 7 of part BB of chapter 59 of the
14 laws of 2023, is amended to read as follows:

15 § 32. This act shall take effect immediately and the pari-mutuel tax
16 reductions in section six of this act shall expire and be deemed
17 repealed on July 1, [2024] 2025; provided, however, that nothing
18 contained herein shall be deemed to affect the application, qualifica-
19 tion, expiration, or repeal of any provision of law amended by any
20 section of this act, and such provisions shall be applied or qualified
21 or shall expire or be deemed repealed in the same manner, to the same
22 extent and on the same date as the case may be as otherwise provided by
23 law; provided further, however, that sections twenty-three and twenty-
24 five of this act shall remain in full force and effect only until May 1,
25 1997 and at such time shall be deemed to be repealed.

26 § 8. Section 54 of chapter 346 of the laws of 1990, amending the
27 racing, pari-mutuel wagering and breeding law and other laws relating to
28 simulcasting and the imposition of certain taxes, as amended by section

1 8 of part BB of chapter 59 of the laws of 2023, is amended to read as
2 follows:

3 § 54. This act shall take effect immediately; provided, however,
4 sections three through twelve of this act shall take effect on January
5 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-
6 ing law, as added by section thirty-eight of this act, shall expire and
7 be deemed repealed on July 1, [2024] 2025; and section eighteen of this
8 act shall take effect on July 1, 2008 and sections fifty-one and fifty-
9 two of this act shall take effect as of the same date as chapter 772 of
10 the laws of 1989 took effect.

11 § 9. Paragraph (a) of subdivision 1 of section 238 of the racing,
12 pari-mutuel wagering and breeding law, as amended by section 9 of part
13 BB of chapter 59 of the laws of 2023, is amended to read as follows:

14 (a) The franchised corporation authorized under this chapter to
15 conduct pari-mutuel betting at a race meeting or races run thereat shall
16 distribute all sums deposited in any pari-mutuel pool to the holders of
17 winning tickets therein, provided such tickets are presented for payment
18 before April first of the year following the year of their purchase,
19 less an amount that shall be established and retained by such franchised
20 corporation of between twelve to seventeen percent of the total deposits
21 in pools resulting from on-track regular bets, and fourteen to twenty-
22 one percent of the total deposits in pools resulting from on-track
23 multiple bets and fifteen to twenty-five percent of the total deposits
24 in pools resulting from on-track exotic bets and fifteen to thirty-six
25 percent of the total deposits in pools resulting from on-track super
26 exotic bets, plus the breaks. The retention rate to be established is
27 subject to the prior approval of the commission.

1 Such rate may not be changed more than once per calendar quarter to be
2 effective on the first day of the calendar quarter. "Exotic bets" and
3 "multiple bets" shall have the meanings set forth in section five
4 hundred nineteen of this chapter. "Super exotic bets" shall have the
5 meaning set forth in section three hundred one of this chapter. For
6 purposes of this section, a "pick six bet" shall mean a single bet or
7 wager on the outcomes of six races. The breaks are hereby defined as the
8 odd cents over any multiple of five for payoffs greater than one dollar
9 five cents but less than five dollars, over any multiple of ten for
10 payoffs greater than five dollars but less than twenty-five dollars,
11 over any multiple of twenty-five for payoffs greater than twenty-five
12 dollars but less than two hundred fifty dollars, or over any multiple of
13 fifty for payoffs over two hundred fifty dollars. Out of the amount so
14 retained there shall be paid by such franchised corporation to the
15 commissioner of taxation and finance, as a reasonable tax by the state
16 for the privilege of conducting pari-mutuel betting on the races run at
17 the race meetings held by such franchised corporation, the following
18 percentages of the total pool for regular and multiple bets five percent
19 of regular bets and four percent of multiple bets plus twenty percent of
20 the breaks; for exotic wagers seven and one-half percent plus twenty
21 percent of the breaks, and for super exotic bets seven and one-half
22 percent plus fifty percent of the breaks.

23 For the period April first, two thousand one through December thirty-
24 first, two thousand [twenty-four] twenty-five, such tax on all wagers
25 shall be one and six-tenths percent, plus, in each such period, twenty
26 percent of the breaks. Payment to the New York state thoroughbred breed-
27 ing and development fund by such franchised corporation shall be one-
28 half of one percent of total daily on-track pari-mutuel pools resulting

1 from regular, multiple and exotic bets and three percent of super exotic
2 bets and for the period April first, two thousand one through December
3 thirty-first, two thousand [twenty-four] twenty-five, such payment shall
4 be seven-tenths of one percent of regular, multiple and exotic pools.

5 § 10. This act shall take effect immediately.

6 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
7 sion, section or part of this act shall be adjudged by any court of
8 competent jurisdiction to be invalid, such judgment shall not affect,
9 impair, or invalidate the remainder thereof, but shall be confined in
10 its operation to the clause, sentence, paragraph, subdivision, section
11 or part thereof directly involved in the controversy in which such judg-
12 ment shall have been rendered. It is hereby declared to be the intent of
13 the legislature that this act would have been enacted even if such
14 invalid provisions had not been included herein.

15 § 3. This act shall take effect immediately provided, however, that
16 the applicable effective date of Parts A through P of this act shall be
17 as specifically set forth in the last section of such Parts.