

# STATE OF NEW YORK

---

S. 8309

A. 8809

## SENATE - ASSEMBLY

January 17, 2024

---

IN SENATE -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

IN ASSEMBLY -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law and the administrative 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 expiration 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

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

LBD12674-01-4

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  
27 amount equal to twenty-five percent of any charitable contribution  
28 deduction allowed under section one hundred seventy of the internal

1 revenue code for taxable years beginning after two thousand nine [and  
2 ending before two thousand twenty-five].

3 § 3. This act shall take effect immediately.

4

#### PART B

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

10 § 12. This act shall take effect immediately; provided, however, that

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

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

31 (iii) provided, further, that the provisions of this act, except  
32 section five of this act, shall expire and be deemed repealed July 1,  
33 2024; provided, that, such expiration and repeal shall not affect any  
34 requirement imposed pursuant to this act].

35 § 2. This act shall take effect immediately.

36

#### PART C

37 Section 1. The opening paragraph of paragraph 2 of subsection (a) of  
38 section 801 of the tax law, as amended by section 1 of part N of chapter  
39 59 of the laws of 2012, is amended to read as follows:

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

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

48

#### PART D

49 Section 1. Paragraph 2 of subsection (c) and paragraph 4 of subsection  
50 (d) of section 689 of the tax law, paragraph 2 of subsection (c) as

1 amended by chapter 40 of the laws of 1964 and paragraph 4 of subsection  
2 (d) as amended by chapter 28 of the laws of 1987, are amended to read as  
3 follows:

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

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

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

22 (2) the taxpayer has not previously filed with the tax commission a  
23 timely petition under subsection (b) of this section for the same taxa-  
24 ble year unless the petition under this subsection relates to a separate  
25 claim for credit or refund properly filed under subsection (f) of  
26 section one thousand eighty-seven of this article or relates to a refund  
27 or credit first claimed on an amended return for the taxable year, and

28 (4) Restriction on further notices of deficiency. ---If the taxpayer  
29 files a petition with the tax commission under this section, no notice  
30 of deficiency under section one thousand eighty-one of this article may  
31 thereafter be issued by the tax commission for the same [taxable year]  
32 tax return, except in case of fraud or with respect to an increase or  
33 decrease in federal taxable income or federal alternative minimum taxa-  
34 ble income or federal tax or a federal change or correction or renegoti-  
35 ation, or computation or recomputation of tax, which is treated in the  
36 same manner as if it were a deficiency for federal income tax purposes,  
37 required to be reported under subdivision three of section two hundred  
38 eleven[, or under section two hundred nineteen-bb or under section two  
39 hundred nineteen-zz] of this chapter.

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

42

#### PART E

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

45 § 845-e. Commercial security tax credit program. 1. Definitions. For  
46 the purposes of this section:

47 (a) "Certificate of tax credit" means the document issued to a busi-  
48 ness entity by the division after the division has verified that the  
49 business entity has met all applicable eligibility criteria in subdivi-  
50 sion two of this section. The certificate shall specify the exact amount  
51 of the tax credit under this section that a business entity may claim,  
52 pursuant to subdivision five of this section, and other information as  
53 required by the department of taxation and finance.



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

51 4. Certificate of tax credit. After reviewing a business entity's  
52 completed final application and determining that a business entity meets  
53 the eligibility criteria as set forth in this section, the division may  
54 issue to that business entity a certificate of tax credit. All applica-  
55 tions will be processed by the division in the order they are received  
56 and certificates of tax credit may be issued in amounts that, in the

1 aggregate, do not exceed the annual cap as set forth in subdivision  
2 seven of this section.

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

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

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

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

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

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

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

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

34 § 49. Commercial security tax credit. (a) Allowance of credit. For  
35 taxable years beginning on or after January first, two thousand twenty-  
36 four and before January first, two thousand twenty-six, a taxpayer  
37 required to file a return pursuant to articles nine, nine-A or twenty-  
38 two of this chapter shall be allowed a credit against such tax, pursuant  
39 to the provisions referenced in subdivision (f) of this section. The  
40 amount of the credit is equal to the amount determined pursuant to  
41 section eight hundred forty-five-e of the executive law. No cost or  
42 expense paid or incurred by the taxpayer that is included as part of the  
43 calculation of this credit shall be the basis of any other tax credit  
44 allowed under this chapter.

45 (b) To be eligible for the commercial security tax credit, the taxpay-  
46 er shall have been issued a certificate of tax credit by the division of  
47 criminal justice services pursuant to section eight hundred forty-five-e  
48 of the executive law, which certificate shall set forth the amount of  
49 the credit that may be claimed for the taxable year. The taxpayer shall  
50 be allowed to claim only the amount listed on the certificate of tax  
51 credit for the taxable year. A taxpayer that is a partner in a partner-  
52 ship, member of a limited liability company or shareholder in a subchap-  
53 ter S corporation that has received a certificate of tax credit shall be  
54 allowed its pro rata share of the credit earned by the partnership,  
55 limited liability company or subchapter S corporation.

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

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

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

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

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

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

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

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

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

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

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

33 § 187-r. Commercial security tax credit. 1. Allowance of credit. A  
34 taxpayer shall be allowed a credit, to be computed as provided in  
35 section forty-nine of this chapter, against the tax imposed by this  
36 article.

37 2. Application of credit. In no event shall the credit under this  
38 section be allowed in an amount that will reduce the tax payable to less  
39 than the applicable minimum tax fixed by section one hundred eighty-  
40 three of this article. If, however, the amount of credit allowable under  
41 this section for any taxable year reduces the tax to such amount, any  
42 amount of credit not deductible in such taxable year shall be treated as  
43 an overpayment of tax to be refunded in accordance with the provisions  
44 of section one thousand eighty-six of this chapter. Provided, however,  
45 the provisions of subsection (c) of section one thousand eighty-eight of  
46 this chapter notwithstanding, no interest shall be paid thereon.

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

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

52 (b) Application of credit. The credit allowed under this subdivision  
53 for the taxable year shall not reduce the tax due for such year to less  
54 than the amount prescribed in paragraph (d) of subdivision one of  
55 section two hundred ten of this article. However, if the amount of cred-  
56 it allowable under this subdivision for the taxable year reduces the tax

1 to such amount or if the taxpayer otherwise pays tax based on the fixed  
 2 dollar minimum amount, any amount of credit thus not deductible in such  
 3 taxable year shall be treated as an overpayment of tax to be credited or  
 4 refunded in accordance with the provisions of section one thousand  
 5 eighty-six of this chapter. Provided, however, the provisions of  
 6 subsection (c) of section one thousand eighty-eight of this chapter  
 7 notwithstanding, no interest will be paid thereon.

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

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

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

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

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

26 § 7. This act shall take effect immediately.

27 PART F

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

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

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

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

36 § 5. Subdivisions (a), (b), (c) and (d) of section 23 of part U of  
 37 chapter 61 of the laws of 2011, amending the real property tax law and  
 38 other laws relating to establishing standards for electronic tax  
 39 administration, subdivisions (a), (c) and (d) as amended by section 5 of  
 40 part A of chapter 59 of the laws of 2019 and subdivision (b) as amended  
 41 by section 5 of part G of chapter 60 of the laws of 2016, are amended to  
 42 read as follows:

43 (a) the amendments to section 29 of the tax law made by section thir-  
 44 teen of this act shall apply to tax documents filed or required to be  
 45 filed on or after the sixtieth day after which this act shall have  
 46 become a law [and shall expire and be deemed repealed December 31,  
 47 2024], provided however that the amendments to paragraph 4 of subdivi-  
 48 sion (a) of section 29 of the tax law and paragraph 2 of subdivision (e)  
 49 of section 29 of the tax law made by section thirteen of this act with  
 50 regard to individual taxpayers shall take effect September 15, 2011 but  
 51 only if the commissioner of taxation and finance has reported in the  
 52 report required by section seventeen-b of this act that the percentage  
 53 of individual taxpayers electronically filing their 2010 income tax  
 54 returns is less than eighty-five percent; provided that the commissioner



1 of taxation and finance shall notify the legislative bill drafting  
2 commission of the date of the issuance of such report in order that the  
3 commission may maintain an accurate and timely effective data base of  
4 the official text of the laws of the state of New York in furtherance of  
5 effectuating the provisions of section 44 of the legislative law and  
6 section 70-b of the public officers law;

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

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

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

25 § 6. This act shall take effect immediately.

26 PART G

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

29 § 2. This act shall take effect immediately.

30 PART H

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

33 (d-1) (1) Notwithstanding subdivision (d) of this section, a return may  
34 be amended where such amendment would not result in the reduction or  
35 elimination of a past-due tax liability, as such term is defined in  
36 section one hundred seventy-one-v of this chapter. Provided, however,  
37 that a person required to collect tax, as defined in section eleven  
38 hundred thirty-one of this part, may amend a return within one hundred  
39 eighty days of the date such return was due if the past-due liability  
40 was self-assessed and reported by such person.

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

47 (3) Where the commissioner has determined the amount of tax due pursu-  
48 ant to paragraph one of subdivision (a) of section eleven hundred thir-  
49 ty-eight of this part, an original return may be filed within one  
50 hundred eighty days after mailing of notice of such determination.  
51 Provided, however, that nothing in this paragraph shall affect any

1 penalty or interest that may have accrued for such tax period on account  
2 of failure to timely file the original return.

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

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

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

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

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

21

#### PART I

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

25 (jj) Tangible personal property or services otherwise taxable under  
26 this article sold to a related person shall not be subject to the taxes  
27 imposed by section eleven hundred five of this article or the compensat-  
28 ing use tax imposed under section eleven hundred ten of this article  
29 where the purchaser can show that the following conditions have been met  
30 to the extent they are applicable: (1) (i) the vendor and the purchaser  
31 are referenced as either a "covered company" as described in section  
32 243.2(f) or a "material entity" as described in section 243.2(1) of the  
33 Code of Federal Regulations in a resolution plan that has been submitted  
34 to an agency of the United States for the purpose of satisfying subpara-  
35 graph 1 of paragraph (d) of section one hundred sixty-five of the Dodd-  
36 Frank Wall Street Reform and Consumer Protection Act (the "Act") or any  
37 successor law, or (ii) the vendor and the purchaser are separate legal  
38 entities pursuant to a divestiture directed pursuant to subparagraph 5  
39 of paragraph (d) of section one hundred sixty-five of such act or any  
40 successor law; (2) the sale would not have occurred between such related  
41 entities were it not for such resolution plan or divestiture; and (3) in  
42 acquiring such property or services, the vendor did not claim an  
43 exemption from the tax imposed by this state or another state based on  
44 the vendor's intent to resell such services or property. A person is  
45 related to another person for purposes of this subdivision if the person  
46 bears a relationship to such person described in section two hundred  
47 sixty-seven of the internal revenue code. The exemption provided by this  
48 subdivision shall not apply to sales made, services rendered, or uses  
49 occurring after June thirtieth, two thousand [twenty-four] twenty-seven,  
50 except with respect to sales made, services rendered, or uses occurring  
51 pursuant to binding contracts entered into on or before such date; but  
52 in no case shall such exemption apply after June thirtieth, two thousand  
53 [twenty-seven] thirty.

54 § 2. This act shall take effect immediately.

1

## PART J

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

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

13 § 2. This act shall take effect immediately.

14

## PART K

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

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

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

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

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

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

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

44 (6) Rent. The consideration received for occupancy, including any  
45 service or other charge or amount required to be paid as a condition for  
46 occupancy, valued in money, whether received in money or otherwise and  
47 whether received or collected by the vacation rental marketplace provid-  
48 er, operator or a room remarketer or another person on behalf of either  
49 of them.

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



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

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

21 (10) (i) Vacation rental marketplace provider. A person who, pursuant  
22 to an agreement with an operator, facilitates the occupancy of a vaca-  
23 tion rental by such operator or operators. A person "facilitates the  
24 occupancy of a vacation rental" for purposes of this paragraph when the  
25 person meets both of the following conditions: (A) such person provides  
26 the forum in which, or by means of which, the sale of the occupancy  
27 takes place or the offer of such sale is accepted, including a shop,  
28 store, or booth, an internet website, catalog, or similar forum; and (B)  
29 such person or an affiliate of such person collects the rent paid by a  
30 customer to an operator for the occupancy of a vacation rental, or  
31 contracts with a third party to collect such rent.

32 (ii) For the purposes of this article, the term "vacation rental  
33 marketplace provider" shall not include a "room remarketer" as defined  
34 in paragraph eight of this subdivision. For purposes of this paragraph,  
35 persons are affiliated if one person has an ownership interest of more  
36 than five percent, whether direct or indirect, in another, or where an  
37 ownership interest of more than five percent, whether direct or indi-  
38 rect, is held in each of such persons by another person or by a group of  
39 other persons that are affiliated persons with respect to each other.

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

42 (a) Imposition. In addition to any other fee or tax imposed by this  
43 article or any other law, on and after April first, two thousand five,  
44 there is hereby imposed within the territorial limits of a city with a  
45 population of a million or more and there shall be paid a unit fee on  
46 every occupancy of a unit in a hotel or vacation rental in such city at  
47 the rate of one dollar and fifty cents per unit per day, except that  
48 such unit fee shall not be imposed upon (1) occupancy by a permanent  
49 resident or (2) where the rent per unit is not more than at the rate of  
50 two dollars per day.

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

54 (1) The rent for every occupancy of a room or rooms in a hotel or  
55 vacation rental in this state, except that the tax shall not be imposed

1 upon (i) a permanent resident, or (ii) where the rent is not more than  
2 at the rate of two dollars per day.

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

7 (1) "Persons required to collect tax" or "person required to collect  
8 any tax imposed by this article" shall include: every vendor of tangible  
9 personal property or services; every recipient of amusement charges;  
10 every operator of a hotel or vacation rental; every vacation rental  
11 marketplace provider with respect to the rent for every occupancy of a  
12 vacation rental it facilitates as described in paragraph ten of subdivi-  
13 sion (c) of section eleven hundred one of this article; and every  
14 marketplace provider with respect to sales of tangible personal property  
15 it facilitates as described in paragraph one of subdivision (e) of  
16 section eleven hundred one of this article. Said terms shall also  
17 include any officer, director or employee of a corporation or of a  
18 dissolved corporation, any employee of a partnership, any employee or  
19 manager of a limited liability company, or any employee of an individual  
20 proprietorship who as such officer, director, employee or manager is  
21 under a duty to act for such corporation, partnership, limited liability  
22 company or individual proprietorship in complying with any requirement  
23 of this article, or has so acted; and any member of a partnership or  
24 limited liability company. Provided, however, that any person who is a  
25 vendor solely by reason of clause (D) or (E) of subparagraph (i) of  
26 paragraph [(8)] eight of subdivision (b) of section eleven hundred one  
27 of this article shall not be a "person required to collect any tax  
28 imposed by this article" until twenty days after the date by which such  
29 person is required to file a certificate of registration pursuant to  
30 section eleven hundred thirty-four of this part. Such terms shall not  
31 include an operator of a vacation rental who rents out the operator's  
32 own property for three days or fewer in a calendar year and does not use  
33 a vacation rental marketplace provider to facilitate such rental.

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

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

40 (m) (1) A vacation rental marketplace provider with respect to a sale  
41 for every occupancy of a vacation rental it facilitates: (A) shall have  
42 all the obligations and rights of a vendor under this article and arti-  
43 cle twenty-nine of this chapter and under any regulations adopted pursu-  
44 ant thereto, including, but not limited to, the duty to obtain a certif-  
45 icate of authority, to collect tax, file returns, remit tax, and the  
46 right to accept a certificate or other documentation from a customer  
47 substantiating an exemption or exclusion from tax, the right to receive  
48 the refund authorized by subdivision (e) of this section and the credit  
49 allowed by subdivision (f) of section eleven hundred thirty-seven of  
50 this part subject to the provisions of such subdivisions; and (B) shall  
51 keep such records and information and cooperate with the commissioner to  
52 ensure the proper collection and remittance of tax imposed, collected or  
53 required to be collected under this article and article twenty-nine of  
54 this chapter.

55 (2) An operator is relieved from the duty to collect tax in regard to  
56 a particular rent for the occupancy of a vacation rental subject to tax

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

28 (3) The commissioner may, at their discretion: (A) develop a standard  
29 provision, or approve a provision developed by a vacation rental market-  
30 place provider, in which the vacation rental marketplace provider obli-  
31 gates itself to collect the tax on behalf of all operators for whom the  
32 vacation rental marketplace provider facilitates sales of occupancy of a  
33 vacation rental, with respect to all sales that it facilitates for such  
34 operators where the rental occurs in the state; and (B) provide by regu-  
35 lation or otherwise that the inclusion of such provision in the public-  
36 ly-available agreement between the vacation rental marketplace provider  
37 and operator will have the same effect as an operator's acceptance of a  
38 certificate of collection from such vacation rental marketplace provider  
39 under paragraph two of this subdivision.

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

42 (g) A vacation rental marketplace provider is relieved of liability  
43 under this section for failure to collect the correct amount of tax to  
44 the extent that the vacation rental marketplace provider can show that  
45 the error was due to incorrect or insufficient information given to the  
46 vacation rental marketplace provider by the operator. Provided, however,  
47 this subdivision shall not apply if the operator and vacation rental  
48 marketplace provider are affiliated within the meaning of paragraph ten  
49 of subdivision (c) of section eleven hundred one of this article.

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

52 (7) An operator of a vacation rental, as defined in paragraph nine of  
53 subdivision (c) of section eleven hundred one of this article, is  
54 relieved of the requirement to register in paragraph one of this subdivi-  
55 vision if its sales of occupancy are wholly facilitated by one or more  
56 vacation rental marketplace providers from whom the operator has

1 received in good faith a certificate of collection that meets the  
2 requirements set forth in paragraph two of subdivision (m) of section  
3 eleven hundred thirty-two of this part or the vacation rental market-  
4 place provider has included a provision approved by the commissioner in  
5 the publicly-available agreement between the vacation rental marketplace  
6 provider and the operator as described in subdivision (m) of section  
7 eleven hundred thirty-two of this part.

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

11 (4) The return of a vendor of tangible personal property or services  
12 shall show such vendor's receipts from sales and the number of gallons  
13 of any motor fuel or diesel motor fuel sold and also the aggregate value  
14 of tangible personal property and services and number of gallons of such  
15 fuels sold by the vendor, the use of which is subject to tax under this  
16 article, and the amount of tax payable thereon pursuant to the  
17 provisions of section eleven hundred thirty-seven of this part. The  
18 return of a recipient of amusement charges shall show all such charges  
19 and the amount of tax thereon, and the return of an operator required to  
20 collect tax on rents shall show all rents received or charged and the  
21 amount of tax thereon. The return of a marketplace seller shall exclude  
22 the receipts from a sale of tangible personal property facilitated by a  
23 marketplace provider if, in regard to such sale: (A) the marketplace  
24 seller has timely received in good faith a properly completed certifi-  
25 cate of collection from the marketplace provider or the marketplace  
26 provider has included a provision approved by the commissioner in the  
27 publicly-available agreement between the marketplace provider and the  
28 marketplace seller as described in subdivision one of section eleven  
29 hundred thirty-two of this part, and (B) the information provided by the  
30 marketplace seller to the marketplace provider about such tangible  
31 personal property is accurate. The return of an operator shall exclude  
32 the rent from occupancy of a vacation rental facilitated by a vacation  
33 rental marketplace provider if, in regard to such sale: (A) the vacation  
34 rental operator has timely received in good faith a properly completed  
35 certificate of collection from the vacation rental marketplace provider  
36 or the vacation rental marketplace provider has included a provision  
37 approved by the commissioner in the publicly-available agreement between  
38 the vacation rental marketplace provider and the operator as described  
39 in subdivision (m) of section eleven hundred thirty-two of this part,  
40 and (B) the information provided by the operator to the vacation rental  
41 marketplace provider about such rent and such occupancy is accurate.

42 § 9. Subparagraph (B) of paragraph 3 of subdivision (a) of section  
43 1138 of the tax law, as amended by chapter 456 of the laws of 1998, is  
44 amended to read as follows:

45 (B) The liability, pursuant to subdivision (a) of section eleven  
46 hundred thirty-three of this article, of any officer, director or  
47 employee of a corporation or of a dissolved corporation, member or  
48 employee of a partnership or employee of an individual proprietorship  
49 who as such officer, director, employee or member is under a duty to act  
50 for such corporation, partnership or individual proprietorship in  
51 complying with any requirement of this article for the tax imposed,  
52 collected or required to be collected, or for the tax required to be  
53 paid or paid over to the [tax commission] commissioner under this arti-  
54 cle, and the amount of such tax liability (whether or not a return is  
55 filed under this article, whether or not such return when filed is  
56 incorrect or insufficient, or where the tax shown to be due on the

1 return filed under this article has not been paid or has not been paid  
2 in full) shall be determined by the [tax commission] commissioner in the  
3 manner provided for in paragraphs one and two of this subdivision. Such  
4 determination shall be an assessment of the tax and liability for the  
5 tax with respect to such person unless such person, within ninety days  
6 after the giving of notice of such determination, shall apply to the  
7 division of tax appeals for a hearing. If such determination is identi-  
8 cal to or arises out of a previously issued determination of tax of the  
9 corporation, dissolved corporation, partnership or individual proprie-  
10 torship for which such person is under a duty to act, an application  
11 filed with the division of tax appeals on behalf of the corporation,  
12 dissolved corporation, partnership or individual proprietorship shall be  
13 deemed to include any and all subsequently issued personal determi-  
14 nations and a separate application to the division of tax appeals for a  
15 hearing shall not be required. The [tax commission] commissioner may,  
16 nevertheless, of [its] their own motion, redetermine such determination  
17 of tax or liability for tax. Where the [tax commission] commissioner  
18 determines or redetermines that the amount of tax claimed to be due from  
19 a vendor of tangible personal property or services, a recipient of  
20 amusement charges, or an operator of a hotel or vacation rental is erro-  
21 neous or excessive in whole or in part, [it] they shall redetermine the  
22 amount of tax properly due from any such person as a person required to  
23 collect tax with respect to such vendor, recipient, or operator, and if  
24 such amount is less than the amount of tax for which such person would  
25 have been liable in the absence of such determination or redetermi-  
26 nation, [it] they shall reduce such liability accordingly. Furthermore,  
27 the [tax commission] commissioner may, of [its] their own motion, abate  
28 on behalf of any such person, any part of the tax determined to be erro-  
29 neous or excessive whether or not such tax had become finally and irre-  
30 vocably fixed with respect to such person but no claim for abatement may  
31 be filed by any such person. The provisions of this paragraph shall not  
32 be construed to limit in any manner the powers of the attorney general  
33 under subdivision (a) of section eleven hundred forty-one of this part  
34 or the powers of the [tax commission] commissioner to issue a warrant  
35 under subdivision (b) of such section against any person whose liability  
36 has become finally and irrevocably fixed.

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

39 16. To publish on the department's website information regarding vaca-  
40 tion rental marketplace providers that have a valid certificate of  
41 authority and, if necessary to protect sales tax revenue, provide by  
42 regulation or otherwise that a vacation rental operator will be relieved  
43 of the requirement to register and the duty to collect tax on the rent  
44 for occupancy of a vacation rental facilitated by a vacation rental  
45 marketplace provider only if, in addition to the conditions prescribed  
46 by paragraph two of subdivision (m) of section eleven hundred thirty-two  
47 and paragraph six of subdivision (a) of section eleven hundred thirty-  
48 four of this part being met, such vacation rental marketplace provider  
49 has a valid certificate of authority at the commencement of the quarter-  
50 ly period covered thereby.

51 § 11. Subparagraph (i) of paragraph 3 of subdivision (a) of section  
52 1145 of the tax law, as amended by section 48 of part K of chapter 61 of  
53 the laws of 2011, is amended to read as follows:

54 (i) Any person required to obtain a certificate of authority under  
55 section eleven hundred thirty-four of this part who, without possessing  
56 a valid certificate of authority, (A) sells tangible personal property



1 or services subject to tax, receives amusement charges or operates a  
2 hotel or vacation rental, (B) purchases or sells tangible personal prop-  
3 erty for resale, (C) sells petroleum products, or (D) sells cigarettes  
4 shall, in addition to any other penalty imposed by this chapter, be  
5 subject to a penalty in an amount not exceeding five hundred dollars for  
6 the first day on which such sales or purchases are made, plus an amount  
7 not exceeding two hundred dollars for each subsequent day on which such  
8 sales or purchases are made, not to exceed ten thousand dollars in the  
9 aggregate.

10 § 12. Subparagraph (v) of paragraph 4 of subdivision (a) of section  
11 1210 of the tax law, as amended by section 2 of part WW of chapter 60 of  
12 the laws of 2016, is amended to read as follows:

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

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

21 (a) Any person required to obtain a certificate of authority under  
22 section eleven hundred thirty-four of this chapter who, without possess-  
23 ing a valid certificate of authority, willfully (1) sells tangible  
24 personal property or services subject to tax, receives amusement charges  
25 or operates a hotel or vacation rental, (2) purchases or sells tangible  
26 personal property for resale, or (3) sells petroleum products; and any  
27 person who fails to surrender a certificate of authority as required by  
28 such article shall be guilty of a misdemeanor.

29 (b) Any person required to obtain a certificate of authority under  
30 section eleven hundred thirty-four of this chapter who within five years  
31 after a determination by the commissioner, pursuant to such section, to  
32 suspend, revoke or refuse to issue a certificate of authority has become  
33 final, and without possession of a valid certificate of authority (1)  
34 sells tangible personal property or services subject to tax, receives  
35 amusement charges or operates a hotel or vacation rental, (2) purchases  
36 or sells tangible personal property for resale, or (3) sells petroleum  
37 products, shall be guilty of a misdemeanor. It shall be an affirmative  
38 defense that such person performed the acts described in this subdivi-  
39 sion without knowledge of such determination. Any person who violates a  
40 provision of this subdivision, upon conviction, shall be subject to a  
41 fine in any amount authorized by this article, but not less than five  
42 hundred dollars, in addition to any other penalty provided by law.

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

46 PART L

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

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

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

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

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

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

18 (a) The provisions of part four of article [twenty-seven] twenty-eight  
19 of this chapter shall apply to the taxes imposed by section four hundred  
20 ninety-three of this article in the same manner and with the same force  
21 and effect as if the language of such article had been incorporated in  
22 full into this section and had expressly referred to the tax imposed by  
23 this article, except to the extent that any provision of such article is  
24 either inconsistent with a provision of this article or is not relevant  
25 to this article.

26 § 3. This act shall take effect immediately; provided, however, that  
27 section one of this act shall apply to sales of adult-use cannabis  
28 products on or after June 1, 2024, and section two of this act shall  
29 apply to sales of adult-use cannabis products on or after December 1,  
30 2024.

31 PART M

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

35 (i) When owned by other than a telephone company as such term is  
36 defined in paragraph (d) hereof, all lines, wires, poles, supports and  
37 inclosures for electrical conductors upon, above and underground used in  
38 connection with the transmission or switching of electromagnetic voice,  
39 video and data signals between different entities separated by air,  
40 street or other public domain, except that such property shall not  
41 include: (A) station connections; (B) fire and surveillance alarm system  
42 property; (C) such property used in the transmission of news wire  
43 services; and (D) such property primarily or exclusively used in the  
44 transmission of news or entertainment radio, television or cable tele-  
45 vision signals for immediate, delayed or ultimate exhibition to the  
46 public, whether or not a fee is charged therefor.

47 § 2. This act shall take effect immediately.

48 PART N

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

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

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

3 (b) the cost of publication of notices required or authorized by this  
4 title;

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

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

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

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

29 Charges shall be deemed a part of the delinquent tax for purposes of  
30 redemption.

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

35 2. The provisions of this article shall not be applicable to a county,  
36 city or town which: (i) on January first, nineteen hundred ninety-three,  
37 was authorized to enforce the collection of delinquent taxes pursuant to  
38 a county charter, city charter, administrative code or special law; (ii)  
39 adopted a local law, no later than July first, nineteen hundred ninety-  
40 four, providing that the collection of taxes in such county, city or  
41 town shall continue to be enforced pursuant to such charter, code or  
42 special law, as such charter, code or special law may from time to time  
43 be amended; and (iii) filed a copy of such local law with the commis-  
44 sioner no later than August first, nineteen hundred ninety-four.  
45 Provided, however, that notwithstanding any provisions of any general,  
46 special or local law to the contrary, if such charter, code or special  
47 law does not include provisions allowing for any "surplus" as defined by  
48 section eleven hundred ninety-five of this article to be paid to the  
49 former owner or other parties whose interests were extinguished by the  
50 foreclosure of a delinquent tax lien, then until such charter, code of  
51 special law is amended to include such provisions, any claims for  
52 surplus within such tax district shall be administered in a manner  
53 substantially similar to that prescribed by title six of this article.

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

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

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

21 3. When no answer has been interposed. (a) The court shall make a  
22 final judgment awarding to such tax district the possession of any  
23 parcel of real property described in the petition of foreclosure not  
24 redeemed as provided in this title and as to which no answer is inter-  
25 posed as provided herein. In addition thereto such judgment shall  
26 contain a direction to the enforcing officer of the tax district to  
27 prepare, execute and cause to be recorded a deed conveying to such tax  
28 district full and complete title to such parcel.

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

34 (c) Upon the execution of such deed, the tax district, or the grantee  
35 as the case may be, shall be seized of an estate in fee simple absolute  
36 in such parcel and all persons, including the state, infants, incompe-  
37 tents, absentees and non-residents who may have had any right, title,  
38 interest, claim, lien or equity of redemption in or upon such parcel  
39 shall be barred and forever foreclosed of all such right, title, inter-  
40 est, claim, lien or equity of redemption. Nothing contained herein  
41 shall be construed to preclude any such person from filing a claim  
42 pursuant to title six of this article for a share of any surplus that  
43 may be attributable to the sale of such parcel.

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

46 4. (a) Notwithstanding any other provision of law to the contrary,  
47 when a parcel is subject to a judgment of foreclosure issued pursuant to  
48 this section but has not yet been conveyed to a third party, the tax  
49 district may, at its discretion, convey title to the parcel back to the  
50 former owner or owners, or to the successor or successors in interest if  
51 any, upon payment of the taxes, penalties, interest and other lawful  
52 charges owed to the tax district, subject to the provisions of paragraph  
53 (b) of this subdivision.

54 (b) If immediately prior to the issuance of the judgment of foreclo-  
55 sure, any other person had any right, title, interest, claim, lien or  
56 equity of redemption in or upon such parcel, the deed conveying the

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

11 § 6. Section 1166 of the real property tax law, as amended by chapter  
12 532 of the laws of 1994, subdivision 1 as amended by chapter 500 of the  
13 laws of 2015, is amended to read as follows:

14 § 1166. Real property acquired by tax district; right of sale. 1.  
15 Whenever any tax district shall become vested with the title to real  
16 property, and whenever an enforcing officer shall have been authorized  
17 to sell and convey real property directly to another party, by virtue of  
18 a foreclosure proceeding brought pursuant to the provisions of this  
19 article, such tax district or enforcing officer is hereby authorized to  
20 sell and convey [the] such real property [so acquired], which shall  
21 include any and all gas, oil or mineral rights associated with such real  
22 property, either with or without advertising for bids, notwithstanding  
23 the provisions of any general, special or local law.

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

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

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

#### TITLE 6

##### DISTRIBUTION OF SURPLUS

32 Section 1195. Definitions.

33 1196. Determination of existence and amount of surplus.

34 1197. Claims for surplus.

35 § 1195. Definitions. In addition to the definitions set forth in  
36 section eleven hundred two of this article, for purposes of this title:

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

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

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

48 § 1196. Determination of existence and amount of surplus. 1. (a)  
49 Within forty-five days after the sale of tax-foreclosed property, the  
50 enforcing officer shall determine whether a surplus is attributable to  
51 such sale and if so, the amount thereof. Such determination shall be  
52 made by ascertaining the sum of the total amount of taxes due plus  
53 interest, penalties and other charges as defined by section eleven  
54

1 hundred two of this article, and subtracting such sum from whichever of  
2 the following is applicable:

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

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

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

21 2. (a) If the enforcing officer determines that no surplus is attrib-  
22 utable to the sale, such enforcing officer shall submit a report to the  
23 court describing the circumstances of the sale, stating that no surplus  
24 was attributable to the sale and demonstrating how the enforcing officer  
25 reached that conclusion.

26 (b) If the enforcing officer determines that a surplus is attributable  
27 to the sale, such enforcing officer shall submit a report to the court  
28 describing the circumstances of the sale, stating that a surplus was  
29 attributable to the sale, and demonstrating how the amount of the  
30 surplus was determined. Such surplus shall be paid to the court there-  
31 with. Within ten days of submitting such report, the enforcing officer  
32 shall notify the former property owner that a surplus was attributable  
33 to the sale of such property, that such surplus has been paid into  
34 court, and that the court will notify the interested parties of the  
35 procedure to be followed in order to make a claim for a share of the  
36 surplus.

37 (c) Where the enforcing officer's determination of surplus is based  
38 upon such enforcing officer's estimate of the property's value, the  
39 enforcing officer's report to the court shall set forth an explanation  
40 of how this estimate was made, including the evidence upon which it was  
41 based.

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

47 § 1197. Claims for surplus. 1. Any person who had any right, title,  
48 interest, claim, lien or equity of redemption in or upon a parcel imme-  
49 diately prior to the issuance of the judgment of foreclosure may file a  
50 claim with the court having jurisdiction for a share of any surplus  
51 resulting from the sale of such property. Such claims shall be adminis-  
52 tered and adjudicated, and such surplus shall be distributed, in the  
53 same manner as in an action to foreclose a mortgage pursuant to article  
54 thirteen of the real property actions and proceedings law, subject to  
55 the provisions of this section.

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

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

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

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

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

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

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

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

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

45     § 8. Severability clause. If any clause, sentence, paragraph, subdivi-  
46 sion, section or subpart contained in any part of this act shall be  
47 adjudged by any court of competent jurisdiction to be invalid, such  
48 judgment shall not affect, impair, or invalidate the remainder thereof,  
49 but shall be confined in its operation to the clause, sentence, para-  
50 graph, subdivision, section or subpart contained in any part thereof  
51 directly involved in the controversy in which such judgment shall have  
52 been rendered. It is hereby declared to be the intent of the legislature  
53 that this act would have been enacted even if such invalid provisions  
54 had not been included herein.

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

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

13 2. Whether or not a tax district is subject to the provisions of title  
14 6 of article 11 of the real property tax law as added by section seven  
15 of this act, where a tax-foreclosed property was sold prior to May 25,  
16 2023, a claim for surplus attributable to such sale may be maintained if  
17 and only if a proceeding to compel such tax district to distribute such  
18 surplus to the petitioner or petitioners had been initiated pursuant to  
19 subdivision 1 of section 7803 of the civil practice law and rules, such  
20 proceeding was commenced in a timely manner as provided by section 217  
21 of such chapter, and such proceeding was still active on the effective  
22 date of this act.

23

PART O

24 Section 1. Subdivision 2 of section 509-a of the racing, pari-mutuel  
25 wagering and breeding law, as amended by section 1 of part OO of chapter  
26 56 of the laws of 2023, is amended to read as follows:

27 2. a. Notwithstanding any other provision of law or regulation to the  
28 contrary, from April nineteenth, two thousand twenty-one to March thir-  
29 ty-first, two thousand twenty-two, twenty-three percent of the funds,  
30 not to exceed two and one-half million dollars, in the Catskill off-  
31 track betting corporation's capital acquisition fund and twenty-three  
32 percent of the funds, not to exceed four hundred forty thousand dollars,  
33 in the Capital off-track betting corporation's capital acquisition fund  
34 established pursuant to this section shall also be available to such  
35 off-track betting corporation for the purposes of statutory obligations,  
36 payroll, and expenditures necessary to accept authorized wagers.

37 b. Notwithstanding any other provision of law or regulation to the  
38 contrary, from April first, two thousand twenty-two to March thirty-  
39 first, two thousand twenty-three, twenty-three percent of the funds, not  
40 to exceed two and one-half million dollars, in the Catskill off-track  
41 betting corporation's capital acquisition fund established pursuant to  
42 this section, and twenty-three percent of the funds, not to exceed four  
43 hundred forty thousand dollars, in the Capital off-track betting corpo-  
44 ration's capital acquisition fund established pursuant to this section,  
45 shall be available to such off-track betting corporations for the  
46 purposes of statutory obligations, payroll, and expenditures necessary  
47 to accept authorized wagers.

48 c. Notwithstanding any other provision of law or regulation to the  
49 contrary, from April first, two thousand twenty-three to March thirty-  
50 first, two thousand twenty-four, twenty-three percent of the funds, not  
51 to exceed two and one-half million dollars, in the Catskill off-track  
52 betting corporation's capital acquisition fund established pursuant to  
53 this section, and one million dollars in the Capital off-track betting  
54 corporation's capital acquisition fund established pursuant to this





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

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

25 e. Prior to a corporation being able to utilize the funds authorized  
26 by paragraph c or d of this subdivision, the corporation must attest  
27 that the surcharge monies from section five hundred thirty-two of this  
28 chapter are being held separate and apart from any amounts otherwise  
29 authorized to be retained from pari-mutuel pools and all surcharge  
30 monies have been and will continue to be paid to the localities as  
31 prescribed in law. Once this condition is satisfied, the corporation  
32 must submit an expenditure plan to the gaming commission for review.  
33 Such plan shall include the corporation's outstanding liabilities,  
34 projected revenue for the upcoming year, a detailed explanation of how  
35 the funds will be used, and any other information necessary to detail  
36 such plan as determined by the commission. Upon review, the commission  
37 shall make a determination as to whether the requirements of this para-  
38 graph have been satisfied and notify the corporation of expenditure plan  
39 approval. In the event the commission determines the requirements of  
40 this paragraph have not been satisfied, the commission shall notify the  
41 corporation of all deficiencies necessary for approval. As a condition  
42 of such expenditure plan approval, the corporation shall provide a  
43 report to the commission no later than [October first, two thousand  
44 twenty-three] the last day of the calendar year for which the funds are  
45 requested, which shall include an accounting of the use of such funds.  
46 At such time, the commission may cause an independent audit to be  
47 conducted of the corporation's books to ensure that all moneys were  
48 spent as indicated in such approved plan. The audit shall be paid for  
49 from money in the fund established by this section. If the audit deter-  
50 mines that a corporation used the money authorized under this section  
51 for a purpose other than one listed in their expenditure plan, then the  
52 corporation shall reimburse the capital acquisition fund for the unau-  
53 thorized amount.

54 § 2. This act shall take effect immediately.

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

5 (a) Any racing association or corporation or regional off-track  
6 betting corporation, authorized to conduct pari-mutuel wagering under  
7 this chapter, desiring to display the simulcast of horse races on which  
8 pari-mutuel betting shall be permitted in the manner and subject to the  
9 conditions provided for in this article may apply to the commission for  
10 a license so to do. Applications for licenses shall be in such form as  
11 may be prescribed by the commission and shall contain such information  
12 or other material or evidence as the commission may require. No license  
13 shall be issued by the commission authorizing the simulcast transmission  
14 of thoroughbred races from a track located in Suffolk county. The fee  
15 for such licenses shall be five hundred dollars per simulcast facility  
16 and for account wagering licensees that do not operate either a simul-  
17 cast facility that is open to the public within the state of New York or  
18 a licensed racetrack within the state, twenty thousand dollars per year  
19 payable by the licensee to the commission for deposit into the general  
20 fund. Except as provided in this section, the commission shall not  
21 approve any application to conduct simulcasting into individual or group  
22 residences, homes or other areas for the purposes of or in connection  
23 with pari-mutuel wagering. The commission may approve simulcasting into  
24 residences, homes or other areas to be conducted jointly by one or more  
25 regional off-track betting corporations and one or more of the follow-  
26 ing: a franchised corporation, thoroughbred racing corporation or a  
27 harness racing corporation or association; provided (i) the simulcasting  
28 consists only of those races on which pari-mutuel betting is authorized  
29 by this chapter at one or more simulcast facilities for each of the  
30 contracting off-track betting corporations which shall include wagers  
31 made in accordance with section one thousand fifteen, one thousand  
32 sixteen and one thousand seventeen of this article; provided further  
33 that the contract provisions or other simulcast arrangements for such  
34 simulcast facility shall be no less favorable than those in effect on  
35 January first, two thousand five; (ii) that each off-track betting  
36 corporation having within its geographic boundaries such residences,  
37 homes or other areas technically capable of receiving the simulcast  
38 signal shall be a contracting party; (iii) the distribution of revenues  
39 shall be subject to contractual agreement of the parties except that  
40 statutory payments to non-contracting parties, if any, may not be  
41 reduced; provided, however, that nothing herein to the contrary shall  
42 prevent a track from televising its races on an irregular basis primari-  
43 ly for promotional or marketing purposes as found by the commission. For  
44 purposes of this paragraph, the provisions of section one thousand thir-  
45 teen of this article shall not apply. Any agreement authorizing an  
46 in-home simulcasting experiment commencing prior to May fifteenth, nine-  
47 teen hundred ninety-five, may, and all its terms, be extended until June  
48 thirtieth, two thousand [twenty-four] twenty-five; provided, however,  
49 that any party to such agreement may elect to terminate such agreement  
50 upon conveying written notice to all other parties of such agreement at  
51 least forty-five days prior to the effective date of the termination,  
52 via registered mail. Any party to an agreement receiving such notice of  
53 an intent to terminate, may request the commission to mediate between  
54 the parties new terms and conditions in a replacement agreement between  
55 the parties as will permit continuation of an in-home experiment until  
56 June thirtieth, two thousand [twenty-four] twenty-five; and (iv) no



1 in-home simulcasting in the thoroughbred special betting district shall  
2 occur without the approval of the regional thoroughbred track.

3 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section  
4 1007 of the racing, pari-mutuel wagering and breeding law, as amended by  
5 section 2 of part BB of chapter 59 of the laws of 2023, is amended to  
6 read as follows:

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

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

23 The provisions of this section shall govern the simulcasting of races  
24 conducted at thoroughbred tracks located in another state or country on  
25 any day during which a franchised corporation is conducting a race meet-  
26 ing in Saratoga county at Saratoga thoroughbred racetrack until June  
27 thirtieth, two thousand [twenty-four] twenty-five and on any day regard-  
28 less of whether or not a franchised corporation is conducting a race  
29 meeting in Saratoga county at Saratoga thoroughbred racetrack after June  
30 thirtieth, two thousand [twenty-four] twenty-five. On any day on which a  
31 franchised corporation has not scheduled a racing program but a  
32 thoroughbred racing corporation located within the state is conducting  
33 racing, each off-track betting corporation branch office and each simul-  
34 casting facility licensed in accordance with section one thousand seven  
35 (that has entered into a written agreement with such facility's repre-  
36 sentative horsemen's organization, as approved by the commission), one  
37 thousand eight, or one thousand nine of this article shall be authorized  
38 to accept wagers and display the live simulcast signal from thoroughbred  
39 tracks located in another state or foreign country subject to the  
40 following provisions:

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

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

49 § 5. The opening paragraph of subdivision 1 of section 1016 of the  
50 racing, pari-mutuel wagering and breeding law, as amended by section 5  
51 of part BB of chapter 59 of the laws of 2023, is amended to read as  
52 follows:

53 The provisions of this section shall govern the simulcasting of races  
54 conducted at thoroughbred tracks located in another state or country on  
55 any day during which a franchised corporation is not conducting a race  
56 meeting in Saratoga county at Saratoga thoroughbred racetrack until June

1 thirtieth, two thousand [twenty-four] twenty-five. Every off-track  
2 betting corporation branch office and every simulcasting facility  
3 licensed in accordance with section one thousand seven that have entered  
4 into a written agreement with such facility's representative horsemen's  
5 organization as approved by the commission, one thousand eight or one  
6 thousand nine of this article shall be authorized to accept wagers and  
7 display the live full-card simulcast signal of thoroughbred tracks  
8 (which may include quarter horse or mixed meetings provided that all  
9 such wagering on such races shall be construed to be thoroughbred races)  
10 located in another state or foreign country, subject to the following  
11 provisions; provided, however, no such written agreement shall be  
12 required of a franchised corporation licensed in accordance with section  
13 one thousand seven of this article:

14 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel  
15 wagering and breeding law, as amended by section 6 of part BB of chapter  
16 59 of the laws of 2023, is amended to read as follows:

17 Notwithstanding any other provision of this chapter, for the period  
18 July twenty-fifth, two thousand one through September eighth, two thou-  
19 sand [twenty-three] twenty-four, when a franchised corporation is  
20 conducting a race meeting within the state at Saratoga Race Course,  
21 every off-track betting corporation branch office and every simulcasting  
22 facility licensed in accordance with section one thousand seven (that  
23 has entered into a written agreement with such facility's representative  
24 horsemen's organization as approved by the commission), one thousand  
25 eight or one thousand nine of this article shall be authorized to accept  
26 wagers and display the live simulcast signal from thoroughbred tracks  
27 located in another state, provided that such facility shall accept  
28 wagers on races run at all in-state thoroughbred tracks which are  
29 conducting racing programs subject to the following provisions;  
30 provided, however, no such written agreement shall be required of a  
31 franchised corporation licensed in accordance with section one thousand  
32 seven of this article.

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

37 § 32. This act shall take effect immediately and the pari-mutuel tax  
38 reductions in section six of this act shall expire and be deemed  
39 repealed on July 1, [2024] 2025; provided, however, that nothing  
40 contained herein shall be deemed to affect the application, qualifica-  
41 tion, expiration, or repeal of any provision of law amended by any  
42 section of this act, and such provisions shall be applied or qualified  
43 or shall expire or be deemed repealed in the same manner, to the same  
44 extent and on the same date as the case may be as otherwise provided by  
45 law; provided further, however, that sections twenty-three and twenty-  
46 five of this act shall remain in full force and effect only until May 1,  
47 1997 and at such time shall be deemed to be repealed.

48 § 8. Section 54 of chapter 346 of the laws of 1990, amending the  
49 racing, pari-mutuel wagering and breeding law and other laws relating to  
50 simulcasting and the imposition of certain taxes, as amended by section  
51 8 of part BB of chapter 59 of the laws of 2023, is amended to read as  
52 follows:

53 § 54. This act shall take effect immediately; provided, however,  
54 sections three through twelve of this act shall take effect on January  
55 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-  
56 ing law, as added by section thirty-eight of this act, shall expire and

1 be deemed repealed on July 1, [2024] 2025; and section eighteen of this  
2 act shall take effect on July 1, 2008 and sections fifty-one and fifty-  
3 two of this act shall take effect as of the same date as chapter 772 of  
4 the laws of 1989 took effect.

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

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

22 Such rate may not be changed more than once per calendar quarter to be  
23 effective on the first day of the calendar quarter. "Exotic bets" and  
24 "multiple bets" shall have the meanings set forth in section five  
25 hundred nineteen of this chapter. "Super exotic bets" shall have the  
26 meaning set forth in section three hundred one of this chapter. For  
27 purposes of this section, a "pick six bet" shall mean a single bet or  
28 wager on the outcomes of six races. The breaks are hereby defined as the  
29 odd cents over any multiple of five for payoffs greater than one dollar  
30 five cents but less than five dollars, over any multiple of ten for  
31 payoffs greater than five dollars but less than twenty-five dollars,  
32 over any multiple of twenty-five for payoffs greater than twenty-five  
33 dollars but less than two hundred fifty dollars, or over any multiple of  
34 fifty for payoffs over two hundred fifty dollars. Out of the amount so  
35 retained there shall be paid by such franchised corporation to the  
36 commissioner of taxation and finance, as a reasonable tax by the state  
37 for the privilege of conducting pari-mutuel betting on the races run at  
38 the race meetings held by such franchised corporation, the following  
39 percentages of the total pool for regular and multiple bets five percent  
40 of regular bets and four percent of multiple bets plus twenty percent of  
41 the breaks; for exotic wagers seven and one-half percent plus twenty  
42 percent of the breaks, and for super exotic bets seven and one-half  
43 percent plus fifty percent of the breaks.

44 For the period April first, two thousand one through December thirty-  
45 first, two thousand [twenty-four] twenty-five, such tax on all wagers  
46 shall be one and six-tenths percent, plus, in each such period, twenty  
47 percent of the breaks. Payment to the New York state thoroughbred breed-  
48 ing and development fund by such franchised corporation shall be one-  
49 half of one percent of total daily on-track pari-mutuel pools resulting  
50 from regular, multiple and exotic bets and three percent of super exotic  
51 bets and for the period April first, two thousand one through December  
52 thirty-first, two thousand [twenty-four] twenty-five, such payment shall  
53 be seven-tenths of one percent of regular, multiple and exotic pools.

54 § 10. This act shall take effect immediately.

55 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
56 sion, section or part of this act shall be adjudged by any court of

1 competent jurisdiction to be invalid, such judgment shall not affect,  
2 impair, or invalidate the remainder thereof, but shall be confined in  
3 its operation to the clause, sentence, paragraph, subdivision, section  
4 or part thereof directly involved in the controversy in which such judg-  
5 ment shall have been rendered. It is hereby declared to be the intent of  
6 the legislature that this act would have been enacted even if such  
7 invalid provisions had not been included herein.

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

