

1 taxation and finance to the contrary. "Substantial authority" shall
2 include legal authority other than mere reliance on professional advice
3 or the application of generally accepted accounting principles to the
4 reporting of the tax imposed by this article. Notwithstanding such
5 paragraph (a), the commissioner of taxation and finance may remit,
6 abate, or waive a portion of the penalty and interest penalty imposed
7 thereunder on a showing by the person liable for tax that there is
8 reasonable cause for remittance, abatement or waiver of such portion.
9 (b) Where penalty and interest penalty have been determined under such
10 paragraph (a) of such subdivision in relation to the failure to timely
11 file a tentative assessment and return, the commissioner may remit,
12 abate, or waive a portion of such penalty or interest penalty upon a
13 determination that the person required to file has subsequently
14 demonstrated a consistent pattern of timely filing in compliance with
15 the provision of this article.

16 § 66. On or before September 1, 1993, the commissioner of taxation and
17 finance shall submit a report to the chairman of the assembly ways and
18 means committee, the chairman of the senate finance committee and the
19 director of the division of budget regarding the amendments made to the
20 gains tax by section sixty-five of this act. The report shall contain
21 the following information for the period April 1, 1992 through February
22 28, 1993: (1) the number of gains tax cases in which requests for
23 penalty and interest penalty remittance, abatement or waiver were
24 approved; (2) the amount of tax and interest paid in such cases; (3) the
25 amount of penalty and interest penalty remitted, abated or waived
26 pursuant to the provisions of subdivision 5 of section 1446 of the tax
27 law as added by section sixty-five of this act. Subdivisions one, two
28 and three of this section shall be presented in a format comparing such
29 data with data relating to such subdivisions in the comparable periods
30 of the two preceding fiscal years. Within thirty days of such report,
31 the director of the budget shall provide to the chairman of the senate
32 finance committee and the chairman of the assembly ways and means
33 committee a comparison of the actual activity during state fiscal year
34 1992-93 as described in the report with the assumptions used by him in
35 producing the projected receipts from the real property gains tax in
36 the state financial plan prepared following enactment of the 1992-93
37 state budget.

38 On or about September 1, 1993, the commissioner of taxation and
39 finance shall submit a study to the chairman of the assembly ways and
40 means committee, the chairman of the senate finance committee and the
41 director of the budget regarding the effectiveness of the gains tax
42 statute, and its administration, including the penalty provisions
43 thereof, in achieving the objectives of simplicity, ease of administra-
44 tion and other governmental objectives.

45 § 67. The state finance law is amended by adding a new section 18 to
46 read as follows:

47 § 18. Interest and collection fees assessed on debts owed to the
48 state. 1. As used in this section: (a) "state agency" shall mean any
49 state department, board, bureau, division, commission, committee, pu-
50 blic authority, public benefit corporation, council, office, or other
51 governmental entity performing a governmental or proprietary function
52 for the state; (b) "debt" shall mean any liquidated sum due and owing
53 any state agency which has accrued pursuant to law or through contract,
54 subrogation, tort or other cause of action, except a liability resulting
55 from taxes or other impositions administered by the state commissioner
56 of taxation and finance, regardless of whether there is an outstanding

1 judgment for that sum; (c) "debtor" shall mean any individual, busi-
2 ness, or other entity, which is not a state agency, municipal corpor-
3 ation or district corporation, having a debt with any state agency.

4 2. For the purposes of this section, a state agency shall mail a
5 dated billing invoice or notice on or about the day it is dated, and
6 receipt by the debtor of a billing invoice or notice is deemed to have
7 occurred five days after its date.

8 3. Unless provided otherwise by contract, statute or regulation, a
9 debtor owing a debt to any state agency shall pay such debt on or be-
10 fore the thirtieth day following such debtor's receipt of any billing
11 invoice or notice sent by the state agency that such debt is due and
12 owing and that failure to make timely payment, as stated in the billing
13 invoice or notice, will result in the assessment of interest or a late
14 payment charge and may result in a charge to cover the cost of process-
15 ing, handling, and collecting such debt.

16 4. Unless provided otherwise by contract, statute or regulation, a
17 debtor that fails to make payment of a debt within the period set forth
18 in subdivision three of this section shall pay, in addition to the
19 amount of debt, the greater of: (a) interest on the outstanding balance
20 of the debt, accruing on the date on which the receipt of the first
21 billing invoice or first notice occurs, computed at the underpayment
22 rate which is in effect on the date which the receipt of the first
23 billing invoice or first billing notice occurs; or (b) a late payment
24 charge of ten dollars. For the purposes of this section, the under-
25 payment rate shall be that rate set by the commissioner of taxation and
26 finance and published in the state register pursuant to subsection (e)
27 of section one thousand ninety-six of the tax law. With respect to
28 specific classes of debt collected by a state agency, the director of
29 the budget or official of a state agency so designated by the director
30 of the budget may approve the assessment of interest or late payment
31 charges at a date later than the thirtieth day following such debtor's
32 receipt of any billing invoice or notice sent by the state agency.

33 5. In addition to the charges referred to in subdivision four of this
34 section, and unless provided otherwise by contract, statute or regula-
35 tion, a debtor that fails to make payment of a debt subject to this
36 section within ninety days of receipt by the debtor of the first bill-
37 ing invoice or notice may be assessed an additional collection fee
38 charge, not to exceed twenty-two percent of the outstanding debt which
39 is owed, by a state agency to cover the cost of processing, handling
40 and collecting such debt. The assessed collection fee charge may not
41 exceed the agency's estimated cost of processing, handling and
42 collecting such debt.

43 6. Any interest or late payment charges assessed pursuant to this
44 section shall be paid upon notice and demand and shall be treated and
45 collected in the same manner as the original debt which is due and
46 owing and shall be collected by a state agency when such agency deems
47 collection to be administratively practical and cost-effective. Any
48 collection fee charges assessed pursuant to this section shall be paid
49 upon notice and demand and shall be collected by a state agency when
50 such agency deems collection to be administratively practical and
51 cost-effective.

52 7. The state director of the budget shall promulgate such guidelines
53 as the director deems necessary to carry out the provisions of this
54 section.

55 8. The provisions of this section shall not supersede any provi-
56 sion of law or regulation or contract which provides for the imposi-

1 tion of interest or late payment or collection fee charges on debts not
2 satisfied in a timely manner.

3 9. All contracts entered into or any regulation promulgated on or af-
4 ter the effective date of this section which waives the imposition of
5 interest or late payment or collection fee charges or imposes interest
6 or late payment charges or collection fee charges in a manner incon-
7 sistent with this section must be approved by the state division of the
8 budget.

9 10. Every state agency to which this section is applicable is
10 authorized to enter into written agreements with any debtor under which
11 such debtor is allowed to satisfy liability for payment of any debt,
12 including any interest imposed by this section on that portion of such
13 debt as to which an extension is granted, in installment payments if
14 the state agency determines that such agreement will facilitate collec-
15 tion of such liability. Provided further, that where such state agency
16 determines that immediate collection of the debt would jeopardize the
17 debtor's fiscal viability and thereby pose a hardship to the public,
18 such agency shall offer to enter into a written agreement to temporari-
19 ly defer collection of the debt, collect the debt on an install-
20 ment basis, or make other reasonable arrangements to reduce such hard-
21 ship on the public of collecting the debt.

22 § 68. The state finance law is amended by adding a new section 19 to
23 read as follows:

24 § 19. Returned check charge. 1. As used in this section, (a) "state
25 agency" shall mean any state department, board, bureau, division, com-
26 mission, committee, public authority, public benefit corporation, coun-
27 cil, office, or other governmental entity performing a governmental or
28 proprietary function for the state; and (b) "dishonored check" shall
29 mean a check, draft or like instrument drawn on a bank, depository or
30 financial institution as full or partial payment for an unpaid balance
31 on an account, or for other extensions of credit or payments of money,
32 which is not paid or is dishonored or is returned by such institution
33 due to insufficient funds or other cause not attributable to the state
34 of New York.

35 2. Any individual, business or other entity, which is not a state
36 agency, municipal corporation or district corporation, which makes
37 payment to a state agency by a check which is dishonored shall be lia-
38 ble to such state agency for a returned check charge. The state direc-
39 tor of the budget shall: (i) promulgate such guidelines as the director
40 deems necessary to carry out the provisions of this section and (ii) es-
41 tablish a reasonable monetary amount of the returned check charge which
42 shall not exceed the amount set forth in section 5-328 of the general
43 obligations law.

44 3. Any returned check charges assessed pursuant to this section shall
45 be paid upon notice and demand and shall be treated and collected in
46 the same manner as the original debt upon which the dishonored check
47 was received and shall be collected by a state agency when such agency
48 deems collection to be administratively practical and cost-effective.

49 4. The provisions of this section shall not supersede any provision
50 of law or regulation or contract which provides a remedy for the remit-
51 tance of a dishonored check to the state of New York.

52 5. All contracts entered into or any regulation promulgated on or
53 after the effective date of this section which waives the imposition of
54 returned check charges or imposes returned check charges in a manner
55 inconsistent with this section must be approved by the state division
56 of the budget.

1 § 69. The state finance law is amended by adding a new section 91-a
2 to read as follows:

3 § 91-a. Revenue arrearage account. 1. There is hereby established in
4 the joint custody of the state comptroller and the commissioner of tax-
5 ation and finance an account of the miscellaneous special revenue fund
6 to be known as the revenue arrearage account. Moneys of this account
7 shall be used for services and expenses related to the collection and
8 maximization of overdue non-tax revenues owed to the state.

9 2. Notwithstanding any other provision of law, such account shall
10 consist of all moneys collected by offset pursuant to section one hun-
11 dred seventy-one-f of the tax law; and all moneys deemed by the comp-
12 troller to result from an offset of a contract payment or other similar
13 payment pursuant to his authority as defined by section one of article
14 five of the state constitution and section eight of this chapter unless
15 such offset is credited to any tax liability, including unemployment
16 insurance tax liability, or liability credited to federal funds, fe-
17 deral trust funds or fiduciary funds; and all other moneys credited or
18 transferred thereto from any other fund or source pursuant to law.

19 3. Within such account there shall be created a sub-account from
20 which the comptroller, upon certification, may pay any refunds or reim-
21 bursements and any interest due thereon to which a debtor, as defined
22 in section eighteen of this chapter, is entitled.

23 4. The comptroller is hereby authorized and directed to deposit into
24 this account all moneys collected pursuant to section one hundred
25 seventy-one-f of the tax law and all moneys collected in the offset of
26 a payment as described in subdivision two of this section. Further, the
27 comptroller is authorized and directed to loan money by transfer to the
28 revenue arrearage account from the general fund, or any other fund;
29 provided, however, that such loans shall be limited to the amounts
30 required to make disbursements pursuant to duly enacted appropriations
31 and to certificates of approval issued by the director of the budget
32 and further provided that the comptroller shall use the first subse-
33 quent cash receipts of this account to repay any such loans. Copies of
34 the aforementioned certificates of approval shall be filed with the
35 comptroller and with the chairman of the senate finance committee and
36 the chairman of the assembly ways and means committee.

37 5. Moneys of the account, following appropriation by the legislature,
38 shall be allocated upon a certificate of approval of availability by
39 the director of the budget for the purposes set forth in this section.

40 6. Notwithstanding the provisions of any other law to the contrary,
41 the comptroller is authorized and directed to transfer remaining moneys
42 deposited to the revenue arrearage account to the general fund miscel-
43 laneous receipts account on the last day of the state fiscal year.

44 7. State agencies, as defined in section eighteen of this chapter,
45 shall provide reports detailing debts owed to such agencies in a form
46 and format prescribed in guidelines set forth by the director of the
47 budget, and pursuant to a reporting schedule set forth by the director
48 of the budget.

49 § 70. The state executive law is amended by adding a new section 32
50 to read as follows:

51 § 32. Authority not to renew. 1. For the purposes of this section,
52 "state agency" shall mean any state department, board, bureau, divi-
53 sion, commission, committee, public authority, public benefit corpora-
54 tion, council, office, or other governmental entity performing a
55 governmental or proprietary function for the state.

1 2. Notwithstanding any other provision of law, when a state agency
2 levies fees or assesses civil fines or penalties for licensing or regu-
3 latory matters, such state agency shall, following consultation with
4 the state department of law and after such appropriate due process as
5 required by the provisions of law applicable to such state agency and
6 to such licensing or regulatory matters, not be required to renew any
7 license, permit, or certificate of qualification, authority, or opera-
8 tion, of any business, individual, or other entity, which is not a
9 state agency, municipal corporation or district corporation, if such
10 business, individual or other entity has failed to pay or enter into a
11 written agreement to settle outstanding fees, civil penalties or fines
12 assessed by such state agency.

13 § 71. Section 5001 of the civil practice law and rules is amended to
14 read as follows:

15 § 5001. Interest to verdict, report or decision. (a) Actions in which
16 recoverable. Interest shall be recovered upon a sum awarded because of
17 a breach of performance of a contract, because of the imposition of a
18 civil penalty, or because of an act or omission depriving or otherwise
19 interfering with title to, or possession or enjoyment of, property, ex-
20 cept that in an action of an equitable nature, interest and the rate
21 and date from which it shall be computed shall be in the court's
22 discretion.

23 (b) Date from which computed. Interest shall be computed from the
24 earliest ascertainable date the cause of action existed, which for ac-
25 tions based on the imposition of a civil penalty, shall be the date on
26 which such penalty is assessed or the date on which payment is due, if
27 different from the date on which such penalty is assessed; except that
28 interest upon damages incurred thereafter shall be computed from the
29 date incurred. Where such damages were incurred at various times, in-
30 terest shall be computed upon each time from the date it was incurred
31 or upon all of the damages from a single reasonable intermediate date.

32 (c) Specifying date; computing interest. The date from which interest
33 is to be computed shall be specified in the verdict, report or deci-
34 sion. If a jury is discharged without specifying the date, the court
35 upon motion shall fix the date, except that where the date is certain
36 and not in dispute, the date may be fixed by the clerk of the court
37 upon affidavit. The amount of interest shall be computed by the clerk
38 of the court, to the date the verdict was rendered or the report or
39 decision was made, and included in the total sum awarded.

40 § 72. Section 171 of the tax law is amended by adding a new subdivi-
41 sion twenty-seventh to read as follows:

42 Twenty-seventh. Have authority, upon agreement with the state comp-
43 troller, to act as an agent for the state comptroller for the purposes
44 of crediting the payment of state money to any claimant against the
45 amount of a past-due legally enforceable debt, as defined in section
46 one hundred seventy-one-f of this article, owed by such claimant to a
47 state agency, as defined in section one hundred seventy-one-f of this
48 article. All the provisions of section one hundred seventy-one-f of
49 this article shall be applicable to the crediting of the payments of
50 state money made in accordance with the authority granted in this sub-
51 division, with such modifications as may be necessary to adapt such
52 language to such crediting and shall apply with the same force and ef-
53 fect as if those provisions had been set forth in full in this section
54 and had expressly referred to such crediting, except to the extent any
55 provision thereof is either inconsistent or is not relevant to such
56 crediting. This section shall not be deemed to abrogate or limit in

1 any powers and authority of the state comptroller to set off debts
2 owed the state against payments from the state under the constitution
3 of the state or any other law.

4 § 73. Subdivision 1 of section 171-a of the tax law, as amended by
5 chapter 749 of the laws of 1991, is amended to read as follows:

6 1. All taxes, interest, penalties and fees collected or received by
7 the commissioner of taxation and finance or his duly authorized agent
8 under articles nine (except section one hundred eighty-two-a thereof
9 and except as otherwise provided in section two hundred five thereof),
10 nine-A, twelve-A (except as otherwise provided in section two hundred
11 eighty-four-d thereof), thirteen, thirteen-A (except as otherwise pro-
12 vided in section three hundred twelve thereof), fifteen (except as
13 provided in section three hundred forty-one thereof), eighteen (except
14 as otherwise provided in paragraph (a) of subdivision one of section
15 four hundred twenty-four thereof as amended by section two hundred
16 fifty of the chapter of the laws of nineteen hundred ninety which en-
17 acted this exception), eighteen-A (but only in the event that subdivi-
18 sion two of section four hundred forty-six of such article does not
19 effect), nineteen, twenty, twenty-one, twenty-two, twenty-four,
20 twenty-six, take twenty-six-A, twenty-six-B, twenty-eight (except as
21 otherwise provided in section eleven hundred two and section eleven
22 hundred four-a thereof), twenty-eight-A, thirty-one, thirty-one-B,
23 thirty-two, and thirty-three and thirty-three-A of this chapter shall
24 deposited daily in one account with such responsible banks, banking
25 be houses or trust companies as may be designated by the comptroller,
26 to the credit of the comptroller. Such an account may be established
27 in one or more of such depositories. Such deposits shall be kept
28 separate and apart from all other money in the possession of the comp-
29 troller. The comptroller shall require adequate security from all such
30 depositories. Of the total revenue collected or received under such
31 articles of this chapter, the comptroller shall retain in his hands
32 such amount as the commissioner of taxation and finance may determine
33 to be necessary for refunds or reimbursements under such articles of
34 this chapter and article ten thereof out of which amount the comp-
35 troller shall pay any refunds or reimbursements to which taxpayers
36 shall be entitled under the provisions of such articles of this chap-
37 ter and article ten thereof. The commissioner of taxation and finance
38 and the comptroller shall maintain a system of accounts showing the
39 amount of revenue collected or received from each of the taxes imposed
40 by such articles. The comptroller, after reserving the amount to pay
41 such refunds or reimbursements, shall, on or before the tenth day of
42 each month, pay into the state treasury to the credit of the general
43 fund all revenue deposited under this section during the preceding
44 calendar month and remaining to his credit on the last day of such
45 preceding month except that he shall pay to the state department of
46 social services that amount of overpayments of tax imposed by article
47 twenty-two of this chapter and the interest on such amount which is
48 certified to him by the commissioner of taxation and finance as the
49 amount to be credited against past-due support pursuant to subdivision
50 six of section one hundred seventy-one-c of this chapter and except
51 that he shall pay to the New York state higher education services cor-
52 poration and the state university of New York or the city university
53 of New York respectively that amount of overpayments of tax imposed by
54 article twenty-two of this chapter and the interest on such amount
55 which is certified to him by the commissioner of taxation and finance
56 as the amount to be credited against the amount of defaults in repay-
57 ment of guaranteed student loans and state university loans or city

1 university loans pursuant to subdivision five of section one hundred
2 seventy-one-d and subdivision six of section one hundred seventy-one-e
3 of this chapter and except further that, notwithstanding any law, he
4 shall credit to the revenue arrearage account, pursuant to section
5 ninety-one-a of the state finance law, that amount of overpayment of
6 tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A,
7 thirty-B, thirty-two or thirty-three of this chapter, and any interest
8 thereon, which is certified to him by the commissioner of taxation and
9 finance as the amount to be credited against a past-due legally en-
10 forceable debt owed to a state agency pursuant to subdivision six of
11 section one hundred seventy-one-f of this article, and except further
12 that he shall pay to a non-obligated spouse that amount of overpayment
13 of tax imposed by article twenty-two of this chapter and the interest
14 on such amount which has been credited pursuant to section one hundred
15 seventy-one-c, one hundred seventy-one-d, [on] one hundred seventy-
16 one-e or one hundred seventy-one-f of this [chapter] article and which
17 is certified to him by the commissioner of taxation and finance as the
18 amount due such non-obligated spouse pursuant to paragraph six of sub-
19 section (b) of section six hundred fifty-one of this chapter; and he
20 shall deduct a like amount which he shall pay into the treasury to the
21 credit of the general fund from amounts subsequently payable to the
22 department of social services, the state university of New York, the
23 city university of New York, or the higher education services corpor-
24 corporation, or the revenue arrearage account pursuant to section
35 ninety-one-a of the state finance law, as the case may be, whichever
36 had been credited the amount originally withheld from such overpayment.

37 § 74. Paragraph (ii) of subdivision 5 of section 171-c of the
38 tax law, as amended by chapter 809 of the laws of 1985, is amended to
39 read as follows:

40 (ii) Only the balance remaining, after such overpayment and the
41 interest thereon has been credited as described in paragraph (i) of
42 this subdivision, shall be certified as an overpayment plus any inter-
43 est to be credited against past-due support, with the remainder to be
44 refunded to the taxpayer if such remainder is not required to satisfy
45 the amount of a default in repayment of a state university loan or
46 city university loan pursuant to section one hundred seventy-one-e of
47 this article and/or the amount of a past-due legally enforceable debt
48 pursuant to section one hundred seventy-one-f of this article and/or
49 the amount of a default in repayment of a guaranteed student loan pur-
50 suant to section one hundred seventy-one-d of this article. In cases
51 where the taxpayer owes past-due support to more than one person or
52 entity, and the total amount of past-due support certified to the [tax
53 commission] commissioner of taxation and finance by the state depart-
54 ment of social services exceeds the balance remaining, each such per-
55 son or entity shall receive a pro rata share of the balance remaining,
56 such share to be based on the amount of past-due support owed to such
57 person or entity as certified to the [tax commission] commissioner of
58 taxation and finance by such department pursuant to this section. The
59 state department of social services shall be responsible for determin-
60 ing and distributing each person's or entity's pro rata share of past-
61 due support pursuant to regulations of such department.

62 § 75. Subdivision 2 of section 171-d of the tax law, as added by
63 chapter 546 of the laws of 1982, is amended to read as follows:

64 (2) Such agreement shall apply only to the amount of a default in
65 repayment of a guaranteed student loan as to which the New York state
66 higher education services corporation has obtained a [final] judgment
67 [no longer subject to judicial review] or has made a determination that

1 satisfies the requirements of subdivision three of section one hundred
2 seventy-one-f of this article.

3 § 76. Paragraph (b) of subdivision 3 of section 171-d of the tax
4 law, as amended by chapter 686 of the laws of 1989, is amended to read
5 as follows:

6 (b) the minimum amount outstanding on [the judgment rendered as a
7 result of] a default in repayment of a guaranteed student loan against
8 which the commissioner of taxation and finance shall, pursuant to this
9 section, credit an overpayment;

10 § 77. The opening paragraph of paragraph (i) of subdivision 4 of
11 section 171-d of the tax law, as added by chapter 545 of the laws of
12 1986, is amended and a new subparagraph (F) is added to such paragraph
13 to read as follows:

14 In calculating the amount of an overpayment and interest thereon,
15 which shall be credited against the amount of a default in repayment
16 of a guaranteed student loan owed by a taxpayer, the [tax commission]
17 commissioner of taxation and finance shall first credit the overpay-
18 ment and interest thereon against any:

19 (F)the amount of a past-due legally enforceable debt owed to a state
20 agency pursuant to section one hundred seventy-one-f of this article.

21 § 78. Subdivision 3 of section 171-e of the tax law, as amended by
22 chapter 638 of the laws of 1985, is amended to read as follows:

23 (3)Such agreement shall apply only to the amount of a default in re-
24 payment of a state university loan or city university loan as to which
25 the state and/or state university of New York or the city university
26 of New York respectively has obtained a [final] judgment [no longer
27 subject to judicial review] or has made a determination that satisfies
28 the requirements of subdivision three of section one hundred seventy-
29 one-f of this article.

30 § 79. Paragraph (b) of subdivision 4 of section 171-e of the tax
31 law, as amended by chapter 686 of the laws of 1989, is amended to read
32 as follows:

33 (b) the minimum amount outstanding on [the judgment rendered as a
34 result of] a default in repayment of a state university loan or city
35 university loan against which the commissioner of taxation and finance
36 shall, pursuant to this section, credit an overpayment;

37 § 80. Paragraph (b) of subdivision 5 of section 171-e of the tax
38 law, as amended by chapter 638 of the laws of 1985, is amended to read
39 as follows:

40 (b) Only the balance remaining, after such overpayment and the in-
41 terest thereon has been credited as described in paragraph (a) of this
42 subdivision, shall be certified as an overpayment plus any interest to
43 be credited against the amount of a default in repayment of a state
44 university loan or city university loan, with the remainder to be
45 refunded to the taxpayer if such remainder is not required to satisfy
46 the amount of a past-due legally enforceable debt pursuant to section
47 one hundred seventy-one-f of this article and/or the amount of a de-
48 fault in repayment of a guaranteed student loan pursuant to section
49 one hundred seventy-one-d of this article.

50 § 81. The tax law is amended by adding a new section 171-f to read
51 as follows:

52 § 171-f. Certain overpayments credited against outstanding debts owed
53 to a state agency. (1) For the purposes of this section, (a) "state
54 agency" shall mean any state department, board, bureau, division, com-
55 mission, committee, public authority, public benefit corporation, coun-
56 cil, office, or other governmental entity performing a governmental or

1 proprietary function for the state; (b)"taxpayer" shall mean a corpor-
2 ation, association, company, partnership, estate, trust, liquidator,
3 fiduciary or other entity or individual who or which is liable for any
4 tax or other imposition imposed by or pursuant to article nine, nine-A,
5 twenty-two, thirty, thirty-A, thirty-B, thirty-two, or thirty-three of
6 this chapter or article two-E of the general city law, which tax or
7 other imposition is administered by the commissioner of taxation and
8 finance, or who or which is under a duty to perform an act under or
9 pursuant to such tax or imposition, excluding a state agency, a muni-
10 cipal corporation or a district corporation; and (c) "overpayment"
11 shall mean an overpayment which has been requested or determined to be
12 refunded, a refund or a reimbursement, of a tax or other imposition
13 imposed by or pursuant to article nine, nine-A, twenty-two, thirty,
14 thirty-A, thirty-B, thirty-two, or thirty-three of this chapter or
15 article two-E of the general city law, which is administered by the
16 commissioner of taxation and finance.

17 (2)The commissioner of taxation and finance, upon agreement with the
18 state comptroller and acting as an agent for the state comptroller,
19 shall set forth the procedures for crediting any overpayment by a tax-
20 payer of any tax or other imposition imposed by or authorized to be
21 imposed pursuant to article nine, nine-A, twenty-two, thirty, thirty-A,
22 thirty-B, thirty-two, or thirty-three of this chapter or article two-E
23 of the general city law, which is administered by the commissioner of
24 taxation and finance, and the interest on any such overpayments,
25 against the amount of a past-due legally enforceable debt owed by such
26 taxpayer to a state agency. An implementation plan shall be developed
27 by the division of the budget and the department of taxation and fi-
28 nance which shall provide, but not be limited to, guidance with re-
29 spect to coordination of debt collection pursuant to this section and
30 subdivision twenty-seventh of section one hundred seventy-one of this
31 article. This section shall not be deemed to abrogate or limit in any
32 way the powers and authority of the state comptroller to set off debts
33 owed the state against payments from the state, under the constitution
34 of the state or any other law.

35 (3) For purposes of this section a past-due legally enforceable debt
36 against which an overpayment and interest thereon may be credited shall
37 include any applicable interest or late payment charge and is a debt:

38 (a) as to which the state has (i) obtained a judgment and (ii) given
39 such notice as is required in subdivision (d) of section five thousand
40 two hundred twenty-two of the civil practice law and rules; or

41 (b) as to which a state agency has (i) made a final administrative
42 determination where the taxpayer had the opportunity for an adjudica-
43 tory proceeding to which article three of the state administrative
44 procedure act is applicable, or the taxpayer had an opportunity for a
45 proceeding which substantially complies with the requirements of such
46 article three where such article three is not applicable, or the tax-
47 payer was afforded such notice and opportunity to be heard as satis-
48 fies due process requirements applicable to such state agency and to
49 such debt, except that if, pursuant to law or regulation, the debt is
50 not collectible unless the state agency obtains a judgment, then the
51 debt will not be considered a past-due legally enforceable debt for
52 purposes of this section until such state agency has obtained a final
53 judgment no longer subject to judicial review and (ii) which cannot
54 be collected by administrative offset by the referring state agency
55 against amounts payable to the taxpayer by the referring department;
56 and

1 (c) with respect to which the state agency or the department of law
2 has notified the taxpayer in writing, or has made a reasonable attempt
3 to so notify the taxpayer at the taxpayer's last address known to such
4 state agency(i)that the debt, which is clearly identified as to amount
5 and nature, is past-due and unless paid within thirty days thereafter,
6 would be referred to the department of taxation and finance to be off-
7 set against an overpayment; (ii) that state law permits the offset of
8 certain overpayments against such debts; (iii) that the taxpayer may
9 request a review of the proposed referral for offset by contacting the
10 state agency at a telephone number or an address disclosed in the no-
11 tice; and (iv) that the taxpayer may present, to the state agency,
12 written evidence and arguments in support of his defense to the pro-
13 posed referral or may appear at a scheduled conference with the state
14 agency to present oral arguments and written and oral evidence in sup-
15 port of such defense; provided, however, that nothing herein shall be
16 deemed to afford the taxpayer the opportunity to reargue any issue
17 which was, or could have been, adjudicated in the proceeding described
18 in paragraph (a) or (b) of this subdivision; and

19 (d) which the state agency which is the creditor or the department
20 of law, as the case may be, certifies to the commissioner of taxation
21 and finance is past-due and legally enforceable.

22 (4) The procedures set forth by the commissioner of taxation and
23 finance for crediting any overpayments, and the interest on any such
24 overpayments, against a past-due legally enforceable debt pursuant to
25 this section shall include but shall not be limited to:

26 (a) the procedure under which the creditor state agency shall notify
27 the commissioner of taxation and finance of a past-due legally en-
28 forceable debt due from a taxpayer, specifying when the department
29 will be notified, the information to be contained in such notification
30 and the form and format to be used for such notification;

31 (b) the minimum amount of a past-due legally enforceable debt
32 against which the commissioner of taxation and finance shall credit an
33 overpayment of tax;

34 (c) a provision providing that information furnished to the commis-
35 sioner of taxation and finance and the comptroller pursuant to such
36 procedures shall be considered confidential and shall not be dis-
37 closed, except as otherwise allowed in this chapter;

38 (d) a provision providing that information furnished by the commis-
39 sioner of taxation and finance pursuant to such procedures shall be
40 considered confidential and shall not be disclosed, except the amount
41 of the overpayment and interest thereon which has been credited may be
42 disclosed to the taxpayer, and the amount so credited and the informa-
43 tion necessary to properly identify the taxpayer may be disclosed to
44 the creditor state agency; and

45 (e) the procedure for reimbursement of the comptroller by the reve-
46 nue arrearage account, pursuant to section ninety-one-a of the state
47 finance law, for any overpayment and interest thereon which has been
48 credited against the past-due legally enforceable debt owed by a tax-
49 payer filing a joint return, but which has been refunded by the comp-
50 troller, pursuant to paragraph six of subsection (b) of section six
51 hundred fifty-one of this chapter, to a spouse not liable for the a-
52 mount of a past-due legally enforceable debt owed by such taxpayer.

53 (5) (a) In calculating the amount of an overpayment and interest
54 thereon which shall be credited against the amount of a past-due
55 legally enforceable debt owed by a taxpayer which is certified to the
56 department of taxation and finance for collection pursuant to this

1 section, the department of taxation and finance shall first credit the
2 overpayment and interest thereon against any:

3 (i) liability of such taxpayer in respect of any tax or other impo-
4 sition imposed by this chapter and administered by the commissioner
5 of taxation and finance;

6 (ii) liability of such taxpayer for any tax or other imposition im-
7 posed pursuant to the authority of this chapter or a ny other law if
8 such tax is administered by the commissioner of taxation and finance;

9 (iii) estimated tax for the succeeding taxable year if such taxpayer
10 claims such overpayment or a portion thereof as a credit against esti-
11 imated tax for such succeeding taxable year pursuant to subsection (e)
12 of section six hundred eighty-six or subsection (b) of section one
13 thousand eighty-six of this chapter or subdivision (e) of section 11-
14 1786 of the administrative code of the city of New York or for any tax
15 imposed pursuant to the authority of this chapter or any other law if
16 such tax is administered by the commissioner of taxation and finance;

17 (iv) past-due support owed by the taxpayer pursuant to section one
18 hundred seventy-one-c of this article;

19 (v) the amount of a default in repayment of a state university or
20 city university loan pursuant to section one hundred seventy-one-e of
21 this article.

22 (b) Only the balance remaining, after the overpayment and the inter-
23 est thereon has been credited as described in paragraph (a) of this
24 subdivision, shall be certified to the comptroller as an overpayment
25 to be credited against a past-due legally enforceable debt which has
26 been certified to the commissioner of taxation and finance for collec-
27 tion pursuant to this section, with the remainder to be refunded to
28 the taxpayer if such remainder is not required to satisfy the amount
29 of a default in repayment of a guaranteed student loan pursuant to
30 section one hundred seventy-one-d of this article.

31 (c) If a taxpayer owes more than one past-due legally enforceable
32 debt which is certified to the commissioner of taxation and finance
33 for collection pursuant to this section, the overpayment and interest
34 thereon shall be credited against the debts in the order in which the
35 debts accrued. A debt shall be considered to have accrued at the time
36 at which the debt became past-due.

37 (6)The commissioner of taxation and finance shall certify to the com-
38 ptroller the amount of each overpayment and the interest on such a-
39 mount to be credited against each past-due legally enforceable debt pur-
40 suant to this section, the total amount of each such overpayment and
41 the interest on each such overpayment, and the balance, if any, of each
42 such overpayment and interest thereon to be refunded to the taxpayer.

43 (7) The commissioner of taxation and finance shall notify each tax-
44 payer who makes an overpayment, in writing, of the amount of such over-
45 payment and the interest thereon certified to the comptroller as an
46 amount to be credited against a past-due legally enforceable debt which
47 has been certified to the commissioner of taxation and finance pursuant
48 to this section and of the name of the state agency which certified the
49 amount to the commissioner of taxation and finance. Such notice shall
50 include notification to any other person who may have filed a joint
51 return with the taxpayer of the steps such other person may take in
52 order to secure his or her proper share of the refund.

53 (8) From the time the commissioner of taxation and finance is noti-
54 fied by a creditor state agency of a past-due legally enforceable debt
55 due from a taxpayer, the commissioner of taxation and finance shall be
56 relieved from all liability to such taxpayer or its assigns, successors,

1 heirs or representatives for the amount of an overpayment and interest
2 on such amount certified to the comptroller, to be credited against the
3 amount of a past-due legally enforceable debt to be collected pursuant
4 to this section, and such taxpayer shall have no right to commence a
5 court action or proceeding or to any other legal recourse against the
6 commissioner of taxation and finance to recover such overpayment or any
7 interest thereon certified to the comptroller to be credited against
8 the amount of a past-due legally enforceable debt. Provided, however,
9 nothing herein shall be construed to preclude any legal, equitable, or
10 administrative action by such taxpayer against the certifying state
11 agency to which the amount of overpayment and any interest thereon was
12 credited, with reference to the amount thereof which is greater than
13 the amount of such past-due legally enforceable debt owed by such tax-
14 payer on the date of such certification.

15 § 82. Subdivision 1 of section 202 of the tax law, as amended by
16 chapter 18 of the laws of 1983, is amended to read as follows:

17 1. Except in accordance with proper judicial order or as otherwise
18 provided by law, it shall be unlawful for any tax commissioner, any of-
19 ficer or employee of the department of taxation and finance, or any per-
20 son who, pursuant to this section, is permitted to inspect any report,
21 or to whom any information contained in any report is furnished, or any
22 person engaged or retained by such department on an independent con-
23 tract basis, or any person who in any manner may acquire knowledge of
24 the contents of a report filed pursuant to this article, to divulge or
25 make known in any manner the amount of income or any particulars set
26 forth or disclosed in any report under this article. The officers char-
27 ged with the custody of such reports shall not be required to produce
28 any of them or evidence of anything contained in them in any action or
29 proceeding in any court, except on behalf of the state or the [tax com-
30 mission] commissioner of taxation and finance in an action or proceed-
31 ing under the provisions of this chapter or in any other action or pro-
32 ceeding involving the collection of a tax due under this chapter to
33 which the state or the [tax commission] commissioner of taxation and
34 finance is a party or a claimant, or on behalf of any party to any ac-
35 tion or proceeding under the provisions of this article when the re-
36 ports or facts shown thereby are directly involved in such action or
37 proceeding, in any of which events the court may require the production
38 of, and may admit in evidence, so much of said reports or of the facts
39 shown thereby, as are pertinent to the action or proceeding and no
40 more. The [tax commission] commissioner of taxation and finance may,
41 nevertheless, publish a copy or a summary of any determination or deci-
42 sion rendered after the formal hearing provided for in sections one
43 hundred ninety-eight or one thousand eighty-nine of this chapter. Noth-
44 ing herein shall be construed to prohibit the delivery to a corporation
45 or its duly authorized representative of a copy of any report filed by
46 it, nor to prohibit the publication of statistics so classified as to
47 prevent the identification of particular reports and the items thereof,
48 or the publication of delinquent lists showing the names of taxpayers
49 who have failed to pay their taxes at the time and in the manner pro-
50 vided by section one hundred ninety-seven together with any relevant
51 information which in the opinion of the [tax commission] commissioner
52 of taxation and finance and finance may assist in the collection of
53 such delinquent taxes; or the inspection by the attorney-general or
54 other legal representatives of the state of the report of any corpor-
55 ation which shall bring action to set aside or review the tax based
56 thereon, or against whom an action or proceeding under this chapter has
57 been recommended by the commissioner of taxation and finance or the

1 attorney-general or has been instituted; or the inspection of the re-
2 ports of any corporation by the comptroller or duly designated officer
3 or employee of the state department of audit and control, for purposes
4 of the audit of a refund of any tax paid by such corporation under this
5 article; or the disclosing to a state agency, pursuant to section one
6 hundred-seventy-one-f of this chapter, of the name and taxpayer identi-
7 fication number of any taxpayer whose overpayment is certified to the
8 comptroller to be credited against a past-due legally enforceable debt
9 owed to such state agency and the amount of the overpayment and inter-
10 est thereon certified to the comptroller to be credited against a past-
11 due legally enforceable debt. Provided, further, nothing herein shall
12 be construed to prohibit the disclosure of the names of corporations
13 subject to tax under section one hundred eighty-two, one hundred eighty-
14 two-a or one hundred eighty-two-b of this article, or to any two or all
15 of such taxes, for purposes of assisting corporations subject to such
16 tax or taxes in determining whether a gross receipt or a gross receipt
17 from sales of petroleum is an excludible gross receipt or excludi-
18 ble gross receipt from sales of petroleum because it is derived from a
19 sale for resale.

20 § 83. Section 211 of the tax law, is amended by adding a new subdivi-
21 sion 11 to read as follows:

22 11. Notwithstanding the provisions of subdivision eight of this sec-
23 tion, the commissioner may disclose to the head of any state agency,
24 pursuant to section one hundred seventy-one-f of this chapter, the name
25 and taxpayer identification number of any taxpayer whose overpayment is
26 certified to the comptroller to be credited against a past-due legally
27 enforceable debt owed to such agency and the amount of the overpayment
28 and interest thereon certified to the comptroller to be credited
29 against a past-due legally enforceable debt.

30 § 84. Paragraph 6 of subsection (b) of section 651 of the tax law, as
31 amended by chapter 686 of the laws of 1989, is amended to read as
32 follows:

33 (6) If a joint return has been made under this subsection for a taxa-
34 ble year and only one spouse is liable for past-due support, or a past-
35 due legally enforceable debt, or an amount of a default in repayment of
36 a guaranteed student, state university or city university loan of which
37 the commissioner of taxation and finance has been notified pursuant to
38 section one hundred seventy-one-c, one hundred seventy-one-d, [or], one
39 hundred seventy-one-e, or one hundred seventy-one-f, of this chapter,
40 as the case may be, then an overpayment and interest thereon shall be
41 credited against such past-due support, or a past-due legally enforce-
42 able debt, or such amount of a default in repayment of a guaranteed
43 student, state university or city university loan, unless the spouse
44 not liable for such past-due support, or a past-due legally enforceable
45 debt, or such amount of a default in repayment of a guaranteed student,
46 state university or city university loan demands on a declaration made
47 in accordance with regulations or instructions prescribed by the com-
48 missioner of taxation and finance, that the portion of the overpayment
49 and interest attributable to such spouse not be credited against the
50 past-due support, or a past-due legally enforceable debt, or amount of
51 a default in repayment of a guaranteed student, state university or
52 city university loan owed by the other spouse. Such demand may be filed
53 (A) with the return of the spouse not liable for past-due support, or a
54 past-due legally enforceable debt, or default in repayment of a guaran-
55 teed student, state university, or city university loan or (B) with the
56 commissioner of taxation and finance within ten days after notification

1 is provided such spouse by the commissioner of taxation and finance
2 pursuant to subdivision seven of section one hundred seventy-one-c,
3 subdivision six of section one hundred seventy-one-d, [or], subdivision
4 seven of section one hundred seventy-one-e or subdivision seven of sec-
5 tion one hundred seventy-one-f of this chapter. Upon such demand the
6 commissioner of taxation and finance shall determine the amount of the
7 overpayment attributable to each spouse in accordance with regulations
8 prescribed by the commissioner of taxation and finance and credit only
9 that portion of the overpayment and interest thereon attributable to
10 spouse liable for past-due support, or a past-due legally enforceable
11 debt, or amount of a default in repayment of a guaranteed student,
12 state university or city university loan against such past-due support,
13 or a past-due legally enforceable debt, or such amount of a default in
14 repayment of a guaranteed student, state university or city university
15 loan.

16 § 85. Subsection (a) of section 686 of the tax law, as amended by
17 chapter 638 of the laws of 1985, is amended to read as follows:

18 (a) General. -- The [tax commission] commissioner of taxation and
19 finance, within the applicable period of limitations, may credit an
20 overpayment of income tax and interest on such overpayment against any
21 liability in respect of any tax imposed by this chapter on the person
22 who made the overpayment, against any liability in respect of any tax
23 imposed pursuant to the authority of this chapter or any other law on
24 such person if such tax is administered by the [tax commission] commis-
25 sioner of taxation and finance and, as provided in sections one hundred
26 seventy-one-c, one hundred seventy-one-d, [and], one hundred seventy-
27 one-e and one hundred seventy-one-f of this chapter, against past-due
28 support, a past-due legally enforceable debt, and against the amount of
29 a default in repayment of a guaranteed student, state university or
30 city university loan. The balance shall be refunded by the comptroller
31 out of the proceeds of the tax retained by him for such general pur-
32 pose. Any refund under this section shall be made only upon the filing
33 of a return and upon a certificate of the [tax commission] commissioner
34 of taxation and finance approved by the comptroller. The comptroller,
35 as a condition precedent to the approval of such a certificate, may
36 examine into the facts as disclosed by the return of the person who
37 made the overpayment and other information and data available in the
38 files of the [tax com- mission] commissioner of taxation and finance.

39 § 86. Subsection (f) of section 688 of the tax law, as amended by
40 chapter 638 of the laws of 1985, is amended to read as follows:

41 (f) Overpayment credited against past-due support, or against a past-
42 due legally enforceable debt, or defaulted guaranteed student, state
43 university or city university loans. -- If interest is payable pursuant
44 to this section on that portion of an overpayment of tax imposed by
45 this article which is certified by the [tax commission] commissioner of
46 taxation and finance to the comptroller as the amount to be credited
47 against past-due support, or against a past-due legally enforceable
48 debt, or the amount of a default in repayment of a guaranteed student,
49 state university or city university loan, as the case may be, pursuant
50 to the provisions of section one hundred seventy-one-c, section one hun-
51 dred seventy-one-d, [or], section one hundred seventy-one-e, or section
52 one hundred seventy-one-f of this chapter, such portion of such an over-
53 payment shall cease to bear interest on the date of such certification.

54 § 87. Paragraph 3 of subsection (e) of section 697 of the tax law, as
55 separately amended by chapter 304 and 818 of the laws of 1990, is
56 amended to read as follows:

1 (3) Nothing herein shall be construed to prohibit the delivery by the
2 commissioner of taxation and finance to a commissioner of jurors, ap-
3 pointed pursuant to section five hundred four of the judiciary law, or,
4 in counties within cities having a population of one million or more,
5 to the county clerk of such county, of a mailing list of individuals to
6 whom income tax forms are mailed by the commissioner of taxation and
7 finance for the sole purpose of compiling a list of prospective jurors
8 as provided in article sixteen of such law. Provided however, such
9 delivery shall only be made pursuant to an order of the chief adminis-
10 trator of the courts, appointed pursuant to section two hundred ten of
11 such law. No such order may be issued unless such chief administrator
12 is satisfied that such mailing list is needed to compile a proper list
13 of prospective jurors for the county for which such order is sought and
14 that, in view of the responsibilities imposed by the various laws of
15 the state on the department of taxation and finance, it is reasonable
16 to require the commissioner of taxation and finance to furnish such
17 list. Such order shall provide that such list shall be used for the
18 sole purpose of compiling a list of prospective jurors and that such
19 commissioner of jurors, or such county clerk, shall take all necessary
20 steps to insure that the list is kept confidential and that there is no
21 unauthorized use or disclosure of such list. Furthermore, nothing here-
22 in shall be construed to prohibit the delivery to a taxpayer or his or
23 her duly authorized representative of a certified copy of any return or
24 report filed in connection with his or her tax or to prohibit the pub-
25 lication of statistics so classified as to prevent the identification
26 of particular reports or returns and the items thereof, or the inspec-
27 tion by the attorney general or other legal representatives of the
28 state of the report or return of any taxpayer or who shall bring action
29 to set aside or review the tax based thereon, or against whom an action
30 or proceeding under this chapter has been recommended by the commis-
31 sioner of taxation and finance or the attorney general or has been in-
32 stituted, or the inspection of the reports or returns required under
33 this article by the comptroller or duly designated officer or employee
34 of the state department of audit and control, for purposes of the audit
35 of a refund of any tax paid by a tax payer under this article, or the
36 furnishing to the state department of social services of the amount of
37 an overpayment of income tax and interest thereon certified to the comp-
38 troller to be credited against past-due support pursuant to section one
39 hundred seventy-one-c of this chapter and of the name and social secur-
40 ity number of the taxpayer who made such overpayment or the furnishing
41 to the New York state higher education services corporation of the
42 amount of an overpayment of income tax and interest thereon certified
43 to the comptroller to be credited against the amount of a default in
44 repayment of a guaranteed student loan pursuant to section one hundred
45 seventy-one-d of this chapter and of the name and social security num-
46 ber of the taxpayer who made such overpayment, or the furnishing to the
47 state university of New York or the city university of New York respec-
48 tively or the attorney general on behalf of such state or city univer-
49 sity the amount of an overpayment of income tax and interest thereon
50 certified to the comptroller to be credited against the amount of a de-
51 fault in repayment of a state university loan pursuant to section one
52 hundred seventy-one-e of this chapter and of the name and social secur-
53 ity number of the taxpayer who made such overpayment, or the disclosing
54 to a state agency, pursuant to section one hundred seventy-one-f of this
55 chapter, of the amount of an overpayment and interest thereon certified
56 to the comptroller to be credited against a past-due legally enforceable

1 debt owed to such agency and of the name and social security number of
2 the taxpayer who made such overpayment, or the furnishing of employee
3 and employer information obtained through the wage reporting system,
4 pursuant to section one hundred seventy-one-a of this chapter, to the
5 state department of social services for the purpose of verifying eligi-
6 bility for and entitlement to amounts of benefits under the social ser-
7 vices law or similar law of another jurisdiction, locating absent par-
8 ents or other persons legally responsible for the support of applicants
9 for or recipients of public assistance and care under the social ser-
10 vices law and persons legally responsible for the support of a recipi-
11 ent of services under section one hundred eleven-g of the social ser-
12 vices law and, in appropriate cases, establishing support obligations
13 pursuant to the social services law and the family court act or similar
14 provision of law of another jurisdiction for the purpose of evaluating
15 the effect on earnings of participation in employment, or training pro-
16 grams authorized pursuant to the social services law by current recipi-
17 ents of public assistance and care and by former recipients of public
18 assistance and care, (except that with regard to former recipients, in-
19 formation which relates to a particular former recipient shall be pro-
20 vided with client identifying data deleted) and to the state department
21 of labor for the purpose of identifying fraud and abuse within the un-
22 employment benefits system, evaluating the effect on earnings of parti-
23 cipation in training programs funded pursuant to the provisions of the
24 federal job training partnership act and other job training, referral
25 or placement programs with respect to which such department has report-
26 ing, monitoring or evaluating responsibilities and ascertaining the
27 earnings of those whose benefits under the unemployment benefit system
28 have recently expired, or the furnishing of information, which is ob-
29 tained from the wage reporting system operated pursuant to section one
30 hundred seventy-one-a of this chapter, to the state department of social
31 services so that it may furnish such information to public agencies
32 of other jurisdictions with which the state department of social ser-
33 vices has an agreement pursuant to paragraph (h) or (i) of subdivision
34 three of section twenty of the social services law, and to the state
35 department of social services for the purpose of fulfilling obligations
36 and responsibilities otherwise incumbent upon the state department of
37 labor, under section one hundred twenty-four of the federal family sup-
38 port act of nineteen hundred eighty-eight, by giving the federal parent
39 locator service, maintained by the federal department of health and
40 human services, prompt access to such information as required by such
41 act. Provided, however, that with respect to employee information the
42 department of social services shall only be furnished with the names,
43 social security account numbers and gross wages of those employees who
44 are [(1)] (A) applicants for or recipients of benefits under the social
45 services law, or similar provision of law of another jurisdiction (pur-
46 suant to an agreement under subdivision three of section twenty of the
47 social services law) or, [(2)] (B) absent parents or other persons
48 legally responsible for the support of applicants for or recipients of
49 public assistance and care under the social services law or similar
50 provision of law of another jurisdiction (pursuant to an agreement
51 under subdivision three of section twenty of the social services law),
52 or [(3)] (C) persons legally responsible for the support of a recipient
53 of services under section one hundred eleven-g of the social services
54 law or similar provision of law of another jurisdiction (pursuant to an
55 agreement under subdivision three of section twenty of the social ser-
56 vices law), or (D) employees about whom wage reporting system informa-

1 tion is being furnished to public agencies of [geographically contigu-
2 ous states] other jurisdictions, with which the state department of
3 social services has an agreement pursuant to paragraph (h) or (i) of
4 subdivision three of section twenty of the social services law, or (E)
5 employees about whom wage reporting system information is being fur-
6 nished to the federal parent locator service, maintained by the federal
7 department of health and human services, for the purpose of enabling
8 the state department of social services to fulfill obligations and re-
9 sponsibilities otherwise incumbent upon the state department of labor,
10 under section one hundred twenty-four of the federal family support act
11 of nineteen hundred eighty-eight, and, only if, the department of social
12 services certifies to the commissioner of taxation and finance that
13 such persons are such applicants, recipients, absent parents or persons
14 legally responsible for support [or certifies in the case of informa-
15 tion requested under agreements with other states entered into pursuant
16 to subdivision three of section twenty of the social services law, that
17 such request is in compliance with any applicable federal law] or per-
18 sons about whom information has been requested by a public agency of [a
19 geographically contiguous state] another jurisdiction or by the federal
20 parent locator service and further certifies that in the case of infor-
21 mation requested under agreement with other jurisdictions entered into
22 pursuant to subdivision three of section twenty of the social services
23 law, that such request is in compliance with any applicable federal law.
24 Provided, further, that with respect to employee information, the de-
25 partment of labor shall only be furnished, pursuant to subdivision four
26 of section one hundred seventy-one-a of this chapter, with the names
27 and social security numbers of those employees who are applicants for
28 or recipients of benefits under the unemployment benefits system and
29 are so certified to the commissioner of taxation and finance by the de-
30 partment of labor. Provided, further, that where the department of
31 social services requests employee information for the purpose of eval-
32 uating the effects on earnings of participation in employment or train-
33 ing programs authorized pursuant to the social services law, the de-
34 partment of social services shall only be furnished with the quarterly
35 gross wages (excluding any reference to the name, social security num-
36 ber or any other information which could be used to identify any em-
37 ployee or the name or identification number of any employer) paid to
38 employees participating in such programs who are current or former re-
39 cipients of public assistance and care and who are so certified to the
40 commissioner by the commissioner of social services. Provided, further,
41 that with respect to employee information, the department of labor
42 shall only be furnished, pursuant to paragraph (a) of subdivision five
43 of section one hundred seventy-one-a of this chapter, with the quarter-
44 ly gross wages (excluding any reference to the name, social security
45 number or any other information which could be used to identify any em-
46 ployee or the name or identification number of any employer) paid to
47 employees who are or were participants in training programs funded pur-
48 suant to the provisions of the federal job training partnership act and
49 who are so certified to the commissioner of taxation and finance by the
50 department of labor and such quarterly gross wages may be made avail-
51 able by the department of labor to service delivery areas established
52 pursuant to the provisions of such act as shall be necessary to carry
53 out the purposes set forth in such paragraph (a) of subdivision five.
54 Provided, further, that with respect to employee information, the de-
55 partment of labor shall only be furnished, pursuant to paragraph (b) of
56 subdivision five of section one hundred seventy-one-a of this chapter,
57 with quarterly gross wages (excluding any reference to the name social

1 security number or any other information which could be used to identi-
 2 fy any employee or the name or identification number of any employer)
 3 paid to employees who are or were participants in such training, refer-
 4 ral or placement programs or whose benefits under the unemployment ben-
 5 efit system have recently expired and who are so certified to the com-
 6 missioner of taxation and finance orders them to be destroyed. Reports
 7 and returns shall be preserved for three years and thereafter until the
 8 commissioner orders them to be destroyed.

9 § 88. Subsection (a) of section 1086 of the tax law, as amended by
 10 chapter 166 of the laws of 1991, is amended to read as follows:

11 (a) General.--The commissioner of taxation and finance, within the ap-
 12 plicable period of limitations, may credit an overpayment of tax and
 13 interest on such overpayment against any liability in respect of any
 14 tax imposed by the tax law on the taxpayer who made the overpayment, or
 15 against any liability for a past-due legally enforceable debt of which
 16 he is notified pursuant to section one hundred seventy-one-f of this
 17 chapter and the balance shall be refunded by the comptroller out of the
 18 proceeds of the tax retained by him for such general purpose. Provided,
 19 however, in the case of an overpayment claimed on a return or report,
 20 such refund shall be made only if application therefor is made on such
 21 return or report. In the absence of such application, the amount of
 22 such overpayment with respect to any taxable year shall be credited
 23 against, and considered as, a payment of tax liability with respect to
 24 such tax for the succeeding taxable year and shall be credited against
 25 the estimated tax, if any, for such year (whether or not claimed as a
 26 credit in the declaration of estimated tax for such succeeding taxable
 27 year). The commissioner shall notify the taxpayer that such overpayment
 28 has been so credited, and the taxpayer may, prior to the due date
 29 (without regard to extensions) of the taxpayer's return or report for
 30 such succeeding taxable year, claim a refund of such overpayment. Any
 31 refund under this section shall be made only upon the filing of a re-
 32 turn and upon a certificate of the commissioner approved by the comp-
 33 troller. The comptroller, as a condition precedent to the approval of
 34 such a certificate, may examine into the facts as disclosed by the re-
 35 turn of the taxpayer who made the overpayment and other information and
 36 data available in the files of the commissioner.

37 § 89. Subsection (f) of section 1088 of the tax law, is relettered
 38 subsection (g) and a new subsection (f) is added to read as follows:

39 (f) Overpayment credited against past-due legally enforceable debts.--
 40 If interest is payable pursuant to this section on that portion of an
 41 overpayment which is certified by the commissioner of taxation and fi-
 42 nance to the comptroller as the amount to be credited against a past-
 43 due legally enforceable debt pursuant to the provisions of section one
 44 hundred seventy-one-f of this chapter, such portion of such an over-
 45 payment shall cease to bear interest on the date of such certification.

46 § 90. Section 1313 of the tax law, as amended by chapter 686 of
 47 the laws of 1989, is amended to read as follows:

48 § 1313. Deposit and disposition of revenues. All revenue collected by
 49 the commissioner of taxation and finance from the taxes imposed pur-
 50 suant to the authority of this article or article two-E of the general
 51 city law shall be deposited daily with such responsible banks, banking
 52 houses or trust companies, as may be designated by the state comptroller
 53 comptroller, to the credit of the comptroller, in trust for the city of
 54 New York. Such deposits shall be kept in trust and separate and apart
 55 from all other moneys in the possession of the comptroller. The comp-
 56 troller shall require adequate security from all such depositories of

1 such revenue collected by the commissioner of taxation and finance. The
2 comptroller shall retain in his hands such amount as the commissioner
3 of taxation and finance may determine to be necessary for refunds in
4 respect to the taxes imposed pursuant to the authority of this article
5 or article two-E of the general city law and for reasonable costs of
6 the commissioner of taxation and finance in administering, collecting
7 and distributing such taxes, out of which the comptroller shall pay any
8 refunds of such taxes to which taxpayers shall be entitled under any
9 law enacted pursuant to the authority of this article or article two-E
10 of the general city law. The comptroller, after reserving such refund
11 fund and such costs shall, on or before the fifteenth day of each month,
12 pay to the chief fiscal officer of the city the balance of such taxes
13 collected, to be paid into the treasury of the city to the credit of
14 the general fund except that he shall pay to the state department of
15 social services that amount of overpayments of the taxes imposed pur-
16 suant to the authority of this article or article two-E of the general
17 city law and the interest on such amount which is certified to him by
18 the commissioner of taxation and finance as the amount to be credited
19 against past-due support pursuant to subdivision six of section one
20 hundred seventy-one-c of this chapter, and except that he shall pay to
21 the New York state higher education services corporation that amount of
22 governments of the taxes imposed pursuant to the authority of this
23 article or article two-E of the general city law and the interest on
24 such amount which is certified to him by the commissioner of taxation
25 and finance as the amount to be credited against the amount of defaults
26 in repayment of guaranteed student loans pursuant to subdivision five
27 of section one hundred seventy-one-d of this chapter and except that he
28 shall pay to the state university of New York or the city university of
29 New York respectively that amount of overpayments of the taxes imposed
30 pursuant to the authority of this article or article two-E of the gen-
31 eral city law and the interest on such amount which is certified to him
32 by the commissioner of taxation and finance as the amount to be cre-
33 dited against the amount of defaults in repayment of state or city
34 university loans pursuant to subdivision six of section one hundred
35 seventy-one-e of this chapter and except that, notwithstanding any pro-
36 vision of law, he shall credit to the revenue arrearage account, pur-
37 suant to section ninety-one-a of the state finance law, that amount of
38 overpayments of the taxes imposed pursuant to the authority of this
39 article or article two-E of the general city law and the interest on
40 such amount which is certified to him by the commissioner of taxation
41 and finance as the amount to be credited against a past-due legally en-
42 forceable debt owed to a state agency pursuant to subdivision six of
43 section one hundred seventy-one-f of this chapter, and except further
44 that he shall pay to a non-obligated spouse that amount of overpayment
45 of tax imposed pursuant to the authority of this article or article
46 two-E of the general city law and the interest on such amount which has
47 been credited pursuant to section one hundred seventy-one-c, one hun-
48 dred seventy-one-d [or] one hundred seventy-one-e or section one hun-
49 dred seventy-one-f of this chapter and which is certified to him by the
50 commissioner of taxation and finance as the amount due such non-
51 obligated spouse pursuant to paragraph six of subsection (b) of section
52 six hundred fifty-one of this chapter, and he shall deduct a like
53 amount which he shall pay into the treasury to the credit of the gen-
54 eral fund from amounts subsequently payable to the department of social
55 services, the state university of New York, the city university of New
56 York [or] the higher education services corporation, or the revenue
57 arreage account pursuant to section ninety-one-a of the state

1 finance law, as the case may be, whichever had been credited the amount
2 originally withheld from such overpayment. The amount deducted for ad-
3 ministering, collecting and distributing such taxes during such monthly
4 period shall be paid by the comptroller into the general fund of the
5 state treasury to the credit of the state purposes account therein. The
6 first payment to such chief fiscal officer shall be made on or before
7 March fifteenth, nineteen hundred seventy-six, which payment shall re-
8 present the balance of revenue after provision for refund and such rea-
9 sonable costs, with respect to taxes collected from January first,
10 nineteen hundred seventy-six through February twenty-ninth, nineteen
11 hundred seventy-six. Subsequent payments shall be made on or before
12 April fifteenth, nineteen hundred seventy-six, and on or before the fif-
13 teenth day of each succeeding month thereafter, and shall represent the
14 balance of revenue with respect to taxes collected the preceding calen-
15 dar months. The amounts so payable shall be certified to the comptrol-
16 ler by the commissioner of taxation and finance or his delegate, either
17 of whom shall not be held liable for any inaccuracy in such certificate.
18 Where the amount so paid over to such chief fiscal officer is more or
19 less than the amount then due such city, the amount of overpayment or
20 underpayment shall be certified to the comptroller by the commissioner
21 of taxation and finance or his delegate, either of whom shall not be
22 held liable for any inaccuracy in such certificate. The amount of over-
23 payment or underpayment shall be so certified to the comptroller as
24 soon after the discovery of the overpayment or underpayment as reason-
25 ably possible and subsequent payments by the comptroller to such chief
26 fiscal officer shall be adjusted by subtracting the amount of any such
27 overpayment from, or by adding the amount of any such underpayment to
28 such number of subsequent payments and distributions as the comptroller
29 and the commissioner of taxation and finance shall consider reasonable
30 in view of the amount of the overpayment or underpayment and all other
31 facts and circumstances.

32 § 91. Paragraph 5 of subsection (b) of section 1326 of the tax law,
33 as amended by chapter 333 of the laws of 1987, is amended to read as
34 follows:

35 (5) If a joint return has been made pursuant to this subsection for a
36 taxable year and only one spouse is liable for past-due support, or a
37 past-due legally enforceable debt, or an amount of a default in repay-
38 ment of a guaranteed student, state university or city university loan
39 of which the [tax commission] commissioner of taxation and finance has
40 been notified pursuant to section one hundred seventy-one-c, one hun-
41 dred seventy-one-d, [or], one hundred seventy-one-e, or one hundred
42 seventy-one-f of this chapter, as the case may be, then an overpayment
43 and interest thereon shall be credited against such past-due support,
44 or a past-due legally enforceable debt, or such amount of a default in
45 repayment of a guaranteed student, state university or city university
46 loan, unless the spouse not liable for such past-due support, or a past-
47 due legally enforceable debt, or such amount of a default in repayment
48 of a guaranteed student, state university or city university loan
49 demands, on a declaration made in accordance with regulations or in-
50 structions prescribed by the [tax commission] commissioner of taxation
51 and finance, that the portion of the overpayment and interest attribu-
52 table to such spouse not be credited against the past-due support, or a
53 past-due legally enforceable debt, or amount of a default in repayment
54 of a guaranteed student, state university or city university loan owed
55 by the other spouse. Upon such demand the [tax commission] commissioner
56 of taxation and finance shall determine the amount of t he overpayment

1 attributable to each spouse in accordance with regulations prescribed
2 by the [tax commission] commissioner of taxation and finance and credit
3 only that portion of the overpayment and interest thereon attributable
4 to the spouse liable for past-due support, or a past-due legally en-
5 forceable debt, or amount of a default in repayment of a guaranteed
6 student, state university or city university loan against such past-due
7 support, or a past-due legally enforceable debt, or such amount of a
8 default in repayment of a guaranteed student, state university or city
9 university loan.

10 § 92. Section 1333 of the tax law, as amended by chapter 686 of the
11 laws of 1989, is amended to read as follows:

12 § 1333. Deposit and disposition of revenues. All revenue collected by
13 the commissioner of taxation and finance from the tax imposed by any
14 city pursuant to the authority of this article or article thirty-B of
15 this chapter shall be deposited daily with such responsible banks, bank-
16 ing houses or trust companies, as may be designated by the state comp-
17 troller, to the credit of the comptroller, in trust for such city. Such
18 deposits shall be kept in trust and separate and apart from all other
19 moneys in the possession of the comptroller. The comptroller shall
20 require adequate security from all such depositories of such revenue
21 collected by the commissioner of taxation and finance. The comptroller
22 shall retain in his hands such amount as the commissioner of taxation
23 and finance may determine to be necessary for refunds in respect to the
24 tax imposed by such city pursuant to the authority of this article or
25 article thirty-B of this chapter and for reasonable costs of the com-
26 missioner of taxation and finance in administering, collecting and dis-
27 tributing such taxes, out of which the comptroller shall pay any re-
28 funds of such taxes to which taxpayer shall be entitled under any law
29 enacted by such city pursuant to the authority of this article or arti-
30 cle thirty-B of this chapter. The comptroller, after reserving such re-
31 fund fund and such cost shall, on or before the fifteenth day of each
32 month, pay to the chief fiscal officer of such city the balance of such
33 taxes collected, to be paid into the treasury of such city to the cre-
34 dit of the general fund except that he shall pay to the state depart-
35 ment of social services that amount of overpayments of the tax imposed
36 by such city pursuant to the authority of this article or article thirty-
37 B of this chapter and the interest on such amount which is certified to
38 him by the commissioner of taxation and finance as the amount to be cre-
39 dited against past-due support pursuant to subdivision six of section
40 one hundred seventy-one-c of this chapter and except that he shall pay
41 to the New York state higher education services corporation that amount
42 of overpayments of the tax imposed by such city pursuant to the author-
43 ity of this article or article thirty-B of this chapter and the inter-
44 est on such amount which is certified to him by the commissioner of tax-
45 ation and finance as the amount to be credited against the amount of de-
46 faults in repayment of guaranteed student loans pursuant to subdivision
47 five of section one hundred seventy-one-d of this chapter and except
48 that he shall pay to the state university of New York or the city uni-
49 versity of New York respectively that amount of overpayments of the tax
50 imposed by such city pursuant to the authority of this article or arti-
51 cle thirty-B of this chapter and the interest on such amount which is
52 certified to him by the commissioner of taxation and finance as the
53 amount to be credited against the amount of defaults in repayment of
54 state or city university loans pursuant to subdivision six of section
55 one hundred seventy-one-e of this chapter and except that, notwithstand-
56 ing any other provision of law, he shall credit to the revenue arrearage

1 account, pursuant to section ninety-one-a of the state finance law, that
2 amount of overpayments of the taxes imposed pursuant to the authority of
3 this article or article thirty-B of this chapter and the interest on
4 such amount which is certified to him by the commissioner of taxation
5 and finance as the amount to be credited against a past-due legally en-
6 forceable debt owed to a state agency pursuant subdivision six of sec-
7 tion one hundred seventy-one-f of this chapter and except further that
8 he/she shall pay to a non-obligated spouse that amount of overpayment of
9 tax imposed by such city pursuant to the authority of this article or
10 article thirty-B of this chapter and the interest on such amount which
11 has been credited pursuant to section one hundred seventy-one-c, one
12 hundred seventy-one-d, [or] one hundred seventy-one-e or one hundred
13 seventy-one-f of this chapter and which is certified to him by the com-
14 missioner of taxation and finance as the amount due such non-obligated
15 spouse pursuant to paragraph six of subsection (b) of section six hun-
16 dred fifty-one of this chapter, and he shall deduct a like amount which
17 he shall pay into the treasury to the credit of the general fund from
18 amounts subsequently payable to the department of social services, the
19 state university of New York, the city university of New York, or the
20 higher education services corporation or to the revenue arrearage ac-
21 count pursuant to section ninety-one-a of the state finance law, as the
22 case may be, whichever had been credited the amount originally withheld
23 from such overpayment. The amount deducted for administering, collecting
24 and distributing such taxes during such monthly period shall be paid by
25 the comptroller into the general fund of the state treasury to the cre-
26 dit of the state purposes account therein. The first payment to such
27 chief fiscal officer shall be made on or before March fifteenth, nine-
28 teen hundred eighty-five, which payment shall represent the balance of
29 revenue after provision for refund and such reasonable costs, with re-
30 spect to taxes collected in nineteen hundred eighty-four. Subsequent
31 payments shall be made on or before April fifteenth, nineteen hundred
32 eighty-five, and on or before the fifteenth day of each succeeding month
33 thereafter, and shall represent the balance of revenue with respect to
34 taxes collected the preceding calendar months. The amounts so payable
35 shall be certified to the comptroller by the commissioner of taxation
36 and finance or his delegate, either of whom shall not be held liable for
37 any inaccuracy in such certificate. Where the amount so paid over to
38 such chief fiscal officer is more or less than the amount then due such
39 city, the amount of overpayment or underpayment shall be certified to
40 the comptroller by the commissioner of taxation and finance or his dele-
41 gate, either of whom shall not be held liable for any inaccuracy in such
42 certificate. The amount of overpayment or underpayment shall be so cer-
43 tified to the comptroller as soon after the discovery of the overpayment
44 or underpayment as reasonably possible and subsequent payments by the
45 comptroller to such chief fiscal officer shall be adjusted by subtract-
46 ing the amount of any such overpayment from, or by adding the amount of
47 any such underpayment to such number of subsequent payments and dis-
48 tributions as the comptroller and the commissioner of taxation and
49 finance shall consider reasonable in view of the amount of the over-
50 payment or underpayment and all other facts and circumstances.

51 § 93. Subsection (a) of section 1467 of the tax law, as added by chap-
52 ter 167 of the laws of 1972, is amended to read as follows:

53 (a) Except in accordance with the proper judicial order or as other-
54 wise provided by law, it shall be unlawful for the [tax commission, any
55 tax commissioner] commissioner of taxation and finance, any officer or
56 employee of the department of taxation and finance, or any person who,

1 pursuant to this section, is permitted to inspect any return, or any
2 person engaged or retained by such department on an independent contract
3 basis, or any person who in any manner may acquire knowledge of the con-
4 tents of a return filed pursuant to this article, to divulge or make
5 known in any manner the amount of income or any particulars set forth or
6 disclosed in any return required under this article. The officers char-
7 ged with the custody of such returns shall not be required to produce
8 any of them or evidence of anything contained in them in any action or
9 proceedings in any court, except on behalf of the state or the [tax com-
10 mission] commissioner of taxation and finance in an action or proceeding
11 under the provisions of this chapter or in any other action or proceed-
12 ing involving the collection of a tax due under this chapter to which
13 the state or the [tax commission] commissioner of taxation and finance
14 is a party or a claimant or on behalf of any party in an action or pro-
15 ceeding under the provisions of this article when the returns or facts
16 shown thereby are directly involved in such action or proceeding, in any
17 of which events the court may require the production of and may admit in
18 evidence so much of said returns or the facts shown thereby as are per-
19 tinent to the action or proceeding and no more. The [tax commission]
20 commissioner of taxation and finance may, nevertheless, publish a copy
21 or a summary of any determination or decision rendered after the hearing
22 provided for in section one thousand eighty-nine of this chapter. Noth-
23 ing herein shall be construed to prohibit the delivery to a taxpayer or
24 its duly authorized representative of a certified copy of any return
25 filed in connection with its tax nor to prohibit the publication of sta-
26 tistics so classified as to prevent the identification of particular re-
27 turns and the items thereof, or the inspection by the attorney-general
28 or other legal representatives of the state of the return of any tax-
29 payer which shall bring action to set aside or review the tax based
30 thereon, or against which an action or proceeding under this chapter has
31 been recommended by the commissioner of taxation and finance or the at-
32 torney-general or has been instituted; or the inspection of the returns
33 of any taxpayer by the comptroller or duly designated officer or em-
34 ployee of the state department of audit and control for purposes of the
35 the audit of a refund of any tax paid by such taxpayer under this arti-
36 cle, or the disclosing to a state agency, pursuant to section one hun-
37 dred seventy-one-f of this chapter, of the amount of an overpayment and
38 and interest thereon certified to the comptroller to be credited against
39 a past-due legally enforceable debt owed to such agency and of the name
40 and identification number of the taxpayer who made such overpayment.
41 Returns shall be preserved for three years and thereafter until the [tax
42 commission] commissioner of taxation and finance orders them to be
43 destroyed.

44 § 94. Subdivision (a) of section 1518 of the tax law, as added by
45 chapter 649 of the laws of 1974, is amended to read as follows:

46 (a) Except in accordance with the proper judicial order or as other-
47 wise provided by law, it shall be unlawful for the [tax commission, any
48 tax commissioner] commissioner of taxation and finance, the superinten-
49 dent of insurance, any officer or employee of the department of taxation
50 and finance, or the insurance department or any person who, pursuant to
51 this section, is permitted to inspect any return, or any person engaged
52 or retained by such department on an independent contract basis, or any
53 person who in any manner may acquire knowledge of the contents of a
54 return filed pursuant to this article, to divulge or make known in any
55 manner the amount of income or any particulars set forth or disclosed in
56 any return required under this article. The officers charged with the

1 custody of such returns shall not be required to produce any of them or
2 evidence of anything contained in them in any action or proceeding in
3 any court, except on behalf of the state or the [tax commission] commis-
4 sioner of taxation and finance in any action or proceeding under the
5 provisions of this chapter or in any other action or proceeding involv-
6 ing the collection of a tax due under this chapter to which the state or
7 the [tax commission] commissioner of taxation and finance is a party or
8 a claimant or on behalf of any party in an action or proceeding under
9 the provisions of this article when the returns or facts shown thereby
10 are directly involved in such action or proceeding, in any of which
11 events the court may require the production of and may admit in evidence
12 so much of said returns or the fact shown thereby as are pertinent to
13 the action or proceeding and no more. The [tax commission] commissioner
14 of taxation and finance may, nevertheless, publish a copy or a summary
15 of any determination or decision rendered after the hearing provided for
16 in section one thousand eighty-nine of this chapter. Notwithstanding any
17 provisions of this section, the [tax commission] commissioner of taxa-
18 tion and finance may permit the superintendent of insurance or his
19 authorized representative to inspect the returns filed with the [tax
20 commission] commissioner of taxation and finance under this article, or
21 may furnish to such superintendent or his authorized representative an
22 abstract of any return or supply him with information concerning an item
23 contained in any return, or disclosed by an investigation of tax liabil-
24 ity under this article. Nothing herein shall be construed to prohibit
25 the delivery to a taxpayer or its duly authorized representative of a
26 certified copy of any return filed in connection with its tax nor to
27 prohibit the publication of statistics so classified as to prevent the
28 identification of particular returns and the items thereof, or the in-
29 spection by the attorney-general or other legal representatives of the
30 state of the return of any taxpayer which shall bring action to set
31 aside or review the tax based thereon, or against which an action or
32 proceeding under this chapter has been recommended by the commissioner
33 of taxation and finance or the attorney-general or has been instituted;
34 or the inspection of the returns of any taxpayer by the comptroller or
35 duly designated officer or employee of the state department of audit and
36 control for purposes of the audit of a refund of any tax paid by such
37 taxpayer under this article, or the disclosing to a state agency, pur-
38 suant to section one hundred seventy-one-f of this chapter, of the
39 amount of an overpayment and interest thereon certified to the comp-
40 troller to be credited against a past-due legally enforceable debt owed
41 to such agency and of the name and identification number of the taxpayer
42 who made such overpayment. The provisions of this section shall not be
43 construed to prohibit or limit the superintendent of insurance from div-
44 ulging or making known any information pursuant to the authority of the
45 insurance law. Returns shall be preserved for three years and thereafter
46 until the [tax commission] commissioner of taxation and finance orders
47 them to be destroyed.

48 § 95. Paragraph 5 of subdivision (b) of section 11-1751 of the admin-
49 istrative code of the city of New York, as amended by chapter 686 of the
50 laws of 1989, is amended to read as follows:

51 (5) If a joint return has been made under this subdivision for a tax-
52 able year and only one spouse is liable for past-due support, or a past-
53 due legally enforceable debt, or an amount of a default in repayment of
54 a guaranteed student, state university or city university loan of which
55 the state commissioner of taxation and finance has been notified pur-
56 suant to section one hundred seventy-one-c, one hundred seventy-one-d

1 [or], one hundred seventy-one-e, or one hundred seventy-one-f of the tax
 2 law, as the case may be, then an overpayment and interest thereon shall
 3 be credited against such past-due support, or a past-due legally enfor-
 4 ceable debt, or such amount of a default in repayment of a guaranteed
 5 student, state university or city university loan, unless the spouse not
 6 liable for such past-due support, or a past-due legally enforceable
 7 debt, or such amount of a default in repayment of a guaranteed student,
 8 state university or city university loan demands, on a declaration made
 9 in accordance with regulations or instructions prescribed by the state
 10 commissioner of taxation and finance, that the portion of the over-
 11 payment and interest attributable to such spouse not be credited against
 12 the past-due support, or a past-due legally enforceable debt, or amount
 13 of a default in repayment of a guaranteed student, state university or
 14 city university loan owed by the other spouse. Upon such demand, the
 15 state commissioner of taxation and finance shall determine the amount of
 16 the overpayment attributable to each spouse in accordance with regula-
 17 tions prescribed by the state commissioner of taxation and finance and
 18 credit only that portion of the overpayment and interest thereon at-
 19 tributable to the spouse liable for past-due support, or a past-due
 20 legally enforceable debt, or amount of a default in repayment of a
 21 guaranteed student, state university or city university loan against
 22 such past-due support, or a past-due legally enforceable debt, or such
 23 amount of a default in repayment of a guaranteed student, state univer-
 24 sity or city university loan. Such demand may be filed (A) with the
 25 return of the spouse not liable for past-due support or past-due legally
 26 enforceable debt or default in repayment of a guaranteed student, state
 27 university, or city university loan or (B) with the commissioner of tax-
 28 ation and finance within ten days after notification is provided such
 29 spouse by the commissioner of taxation and finance pursuant to subdivi-
 30 sion seven of section one hundred seventy-one-c, subdivision six of sec-
 31 tion one hundred seventy-one-d [or], subdivision seven of section one
 32 hundred seventy-one-e or subdivision seven of section one hundred
 33 seventy-one-f of the New York state tax law.

34 § 96. Subdivision (a) of section 11-1786 of the administrative code of
 35 the city of New York, as amended by chapter 639 of the laws of 1986, is
 36 amended to read as follows:

37 (a) General. The [tax commission] state commissioner of taxation and
 38 finance, within the applicable period of limitations, may credit an
 39 overpayment of income tax and interest on such overpayment against any
 40 liability in respect of any tax imposed by this chapter or by chapter
 41 nineteen of this title on the person who made the overpayment or any
 42 other tax imposed on such person pursuant to the authority of the tax
 43 law or any other law if such tax is administered by the [tax commission]
 44 state commissioner of taxation and finance, against any liability in
 45 respect of any tax imposed on such person by the tax law and, as
 46 provided in sections one hundred seventy-one-c, one hundred seventy-one-
 47 d [and], one hundred seventy-one-e and one hundred seventy-one-f of the
 48 tax law, against past-due support, against a past-due legally enforce-
 49 able debt, and against the amount of a default in repayment of a guaran-
 50 teed student, state university or city university loan. The balance
 51 shall be refunded by the state comptroller out of the proceeds of the
 52 tax retained by him or her for such general purpose. Any refund under
 53 this section shall be made only upon the filing of a return and upon a
 54 certificate of the [tax commission] state commissioner of taxation and
 55 finance approved by the state comptroller. The state comptroller, as a
 56 condition precedent to the approval of such a certificate, may examine

1 into the facts as disclosed by the return of the person who made the
2 overpayment and other information and data available in the files of the
3 [tax commission] state commissioner of taxation and finance.

4 § 97. Subdivision (f) of section 11-1788 of the administrative code of
5 the city of New York, as amended by chapter 639 of the laws of 1986, is
6 amended to read as follows:

7 (f) Overpayment credited against past-due support, or against a past-
8 due legally enforceable debt, or defaulted guaranteed student, state
9 university or city university loans. If interest is payable pursuant to
10 this section on that portion of an overpayment of tax imposed by this
11 chapter which is certified by the [tax commission] state commissioner of
12 taxation and finance to the state comptroller as the amount to be cre-
13 dited against past-due support, or against a past-due legally enforcea-
14 ble debt, or the amount of a default in repayment of a guaranteed stu-
15 dent, state university or city university loan, as the case may be, pur-
16 suant to the provisions of section one hundred seventy-one-c, section
17 one hundred seventy-one-d [or], section one hundred seventy-one-e, or
18 one hundred seventy-one-f of the tax law, such portion of such an over-
19 payment shall cease to bear interest on the date of such certification.

20 § 98. Paragraph 3 of subdivision (e) of section 11-1797 of the admin-
21 istrative code of the city of New York, as amended by chapter 639 of the
22 laws of 1986, is amended to read as follows:

23 (3) Nothing herein shall be construed to prohibit the delivery by the
24 [tax commission] state commissioner of taxation and finance to the
25 county clerk of a county within the city of New York of a mailing list
26 of individuals to whom income tax forms are mailed by the [tax com-
27 mission] state commissioner of taxation and finance for the sole pur-
28 pose of compiling a list of prospective jurors as provided in article
29 sixteen of the judiciary law. Provided, however, such delivery shall
30 only be made pursuant to an order of the chief administrator of the
31 courts, appointed pursuant to section two hundred ten of such law. No
32 such order may be issued unless such chief administrator is satisfied
33 that such mailing list is needed to compile a proper list of prospective
34 jurors for the county for which such order is sought and that, in view
35 of the responsibilities imposed by the various laws of the state on the
36 department of taxation and finance, it is reasonable to require the [tax
37 commission] state commissioner of taxation and finance to furnish such
38 list. Such order shall provide that such list shall be used for the
39 sole purpose of compiling a list of prospective jurors and that such
40 county clerk shall take all necessary steps to insure that the list is
41 kept confidential and that there is no unauthorized use or disclosure of
42 such list. Furthermore, nothing herein shall be construed to prohibit
43 the delivery to a taxpayer or his or her duly authorized representative
44 of a certified copy of any return or report filed in connection with his
45 or her tax or to prohibit the publication of statistics so classified as
46 to prevent the identification of particular reports or returns and the
47 items thereof, or the inspection by the attorney general or other legal
48 representatives of the state or city of the report or return of any tax-
49 payer who shall bring action to set aside or review the tax based
50 thereon, or against whom an action or proceeding under this chapter has
51 been recommended by the commissioner of taxation and finance, the cor-
52 poration counsel or the attorney general or has been instituted, or the
53 inspection of the reports or returns required under this chapter by the
54 comptroller or duly designated officer or employee of the state depart-
55 ment of audit and control, for purposes of the audit of a refund of any
56 tax paid by a taxpayer under this chapter, or the furnishing to the

1 state department of social services of the amount of an overpayment of
 2 tax and interest thereon certified to the comptroller to be credited
 3 against past-due support pursuant to section one hundred seventy-one-c
 4 of the tax law and of the name and social security number of the tax-
 5 payer who made such overpayment or the furnishing to the New York state
 6 higher education services corporation of the amount of an overpayment of
 7 tax and interest thereon certified to the comptroller to be credited
 8 against the amount of a default in repayment of a guaranteed student
 9 loan pursuant to section one hundred seventy-one-d of the tax law and of
 10 the name and social security number of the taxpayer who made such over-
 11 payment or the furnishing to the state university of New York or the
 12 city university of New York or the attorney general on behalf of such
 13 state or city university the amount of an overpayment of tax and in-
 14 terest thereon certified to the comptroller to be credited against the
 15 amount of a default in repayment of a state university loan or city
 16 university loan pursuant to section one hundred seventy-one-e of the tax
 17 law and of the name and social security number of the taxpayer who made
 18 such overpayment, or the disclosing to a state agency, pursuant to sec-
 19 tion one hundred seventy-one-f of the tax law, of the amount of an over-
 20 payment and interest thereon certified to the comptroller to be credited
 21 against a past-due legally enforceable debt owed to such agency and of
 22 the name and social security number of the taxpayer who made such
 23 overpayment. Reports and returns shall be preserved for three years and
 24 thereafter until the [tax commission] state commissioner of taxation and
 25 finance orders them to be destroyed.

26 § 99. Section 11-1798 of the administrative code of the city of New
 27 York, as amended by chapter 686 of the laws of 1989, is amended to read
 28 as follows:

29 § 11-1798 Deposit and disposition of revenues. All revenue collected
 30 by the state commissioner of taxation and finance from the taxes imposed
 31 pursuant to this chapter or chapter nineteen of this title shall be
 32 deposited daily with such responsible banks, banking houses or trust
 33 companies, as may be designated by the state comptroller, to the credit
 34 of the comptroller, in trust for the city. Such deposits shall be kept
 35 in trust and separate and apart from all other moneys in the possession
 36 of the comptroller. The state comptroller shall require adequate
 37 security from all such depositories of such revenue collected by the
 38 state commissioner of taxation and finance. The state comptroller shall
 39 retain in his or her hands such amounts as the commissioner of taxation
 40 and finance may determine to be necessary for refunds in respect to the
 41 taxes imposed by this chapter and such chapter nineteen and for reason-
 42 able costs of the state commissioner of taxation and finance in adminis-
 43 tering, collecting and distributing such taxes, out of which the comp-
 44 troller shall pay any refunds of such taxes to which taxpayers shall be
 45 entitled under this chapter and such chapter nineteen and except further
 46 that he shall pay to a non-obligated spouse that amount of overpayment
 47 of tax imposed pursuant to the authority of article thirty of the New
 48 York state tax law or article two-E of the general city law and the in-
 49 terest on such amount which has been credited pursuant to section one
 50 hundred seventy-one-c, one hundred seventy-one-d, [or] one hundred
 51 seventy-one-e or one hundred seventy-one-f of the New York state tax law
 52 and which is certified to him by the commissioner of taxation and
 53 finance as the amount due such non-obligated spouse pursuant to para-
 54 graph six of subsection (b) of section six hundred fifty-one of the New
 55 York state tax law, and he shall deduct a like amount which he shall pay
 56 into the treasury to the credit of the general fund from amounts subse-

1 quently payable to the department of social services, the state univer-
2 sity of New York, the city university of New York, [or] the higher edu-
3 cation services corporation, or to the revenue arrearage account pur-
4 suant to section ninety-one-a of the state finance law, as the case may
5 be, whichever had been credited the amount originally withheld from such
6 overpayment. The state comptroller, after reserving such refund fund and
7 such costs shall, on or before the fifteenth day of each month, pay to
8 the chief fiscal officer of the city the balance of such taxes col-
9 lected, to be paid into the treasury of the city to the credit of the
10 general fund except that he shall pay to the state department of social
11 services that amount of overpayments of the taxes imposed pursuant to
12 this chapter or chapter nineteen of this title and the interest on such
13 amount which is certified to him by the state commissioner of taxation
14 and finance as the amount to be credited against past-due support pur-
15 suant to subdivision six of section one hundred seventy-one-c of the New
16 York state tax law and except that he shall pay to the New York state
17 higher education services corporation that amount of overpayments of the
18 taxes imposed pursuant to this chapter or chapter nineteen of this title
19 and the interest on such amount which is certified to him by the state
20 commissioner of taxation and finance as the amount to be credited
21 against the amount of defaults in repayment of guaranteed student loans
22 pursuant to subdivision five of section one hundred seventy-one-d of the
23 New York state tax law and except that he shall pay to the state univer-
24 sity of New York or the city university of New York, respectively, that
25 amount of overpayments of the taxes imposed pursuant to this chapter or
26 chapter nineteen of this title and the interest on such amount which is
27 certified to him by the state commissioner of taxation and finance as
28 the amount to be credited against the amount of defaults in repayment of
29 state university or city university loans pursuant to subdivision six of
30 section one hundred seventy-one-e of the New York state tax law, and ex-
31 cept further that, notwithstanding any other provision of law, he shall
32 credit to the revenue arrearage account, pursuant to section ninety-one-
33 a of the state finance law, that amount of overpayments of the taxes im-
34 posed pursuant to this chapter or chapter nineteen of this title and the
35 interest on such amount which is certified to him by the state commis-
36 sioner of taxation and finance as the amount to be credited against a
37 past-due legally enforceable debt owed to a state agency pursuant to
38 subdivision six of section one hundred seventy-one-f of the New York
39 state tax law. The amount deducted for administering, collecting and
40 distributing such taxes during such monthly period shall be paid by the
41 state comptroller into the general fund of the state treasury to the
42 credit of the state purposes fund therein. The first payment to such
43 chief fiscal officer shall be made on or before March fifteenth,
44 nineteen hundred seventy-six, which payment shall represent the balance
45 of revenue after provision for refund and such reasonable costs, with
46 respect to taxes collected from January first, nineteen hundred seventy-
47 six through February twenty-ninth, nineteen hundred seventy-six. Subse-
48 quent payments shall be made on or before April fifteenth, nineteen hun-
49 dred seventy-six and on or before the fifteenth day of each succeeding
50 month thereafter, and shall represent the balance of revenue with
51 respect to taxes collected the preceding calendar month. The amounts so
52 payable shall be certified to the state comptroller by the state commis-
53 sioner of taxation and finance or his or her delegate, either of whom
54 shall not be held liable for any inaccuracy in such certificate. Where
55 the amount so paid over to such chief fiscal officer is more or less
56 than the amount then due such city, the amount of overpayment or under-

1 payment shall be certified to the state comptroller by the state commis-
2 sioner of taxation and finance or his or her delegate, either of whom
3 shall not be held liable for any inaccuracy in such certificate. The
4 amount of overpayment or underpayment shall be so certified to the state
5 comptroller as soon after the discovery of the overpayment or under-
6 payment as reasonably possible and subsequent payments by the state
7 comptroller to such chief fiscal officer shall be adjusted by subtract-
8 ing the amount of any such overpayment from, or by adding the amount of
9 any such underpayment to such number of subsequent payments and dis-
10 tributions as the state comptroller and the state commissioner of taxa-
11 tion and finance shall consider reasonable in view of the amount of the
12 overpayment or underpayment and all other facts and circumstances.

13 § 100. Subparagraph (B) of paragraph 4 of subsection (b) of section
14 92-85 of the codes and ordinances of the city of Yonkers, as amended by
15 chapter 686 of the laws of 1989, is amended to read as follows:

16 (B) If a joint return has been made under this subsection for a tax-
17 able year and only one spouse is liable for past-due support, or a past-
18 due legally enforceable debt, or an amount of a default in repayment of
19 a guaranteed student, state university or city university loan of which
20 the state commissioner of taxation and finance has been notified pur-
21 suantto section one hundred seventy-one-c, one hundred seventy-one-d
22 [or], one hundred seventy-one-e, or one hundred seventy-one-f of the New
23 York state tax law, as the case may be, then any overpayments and in-
24 terest thereon shall be credited against such past-due support, or a
25 past-due legally enforceable debt, or such amount of a default in
26 repayment of a guaranteed student, state university or city university
27 loan, unless the spouse not liable for such past-due support or such
28 amount of a default in repayment of a guaranteed student, state univer-
29 sity or city university loan demands, on a declaration made in accord-
30 ance with regulations or instructions prescribed by the state commis-
31 sioner of taxation and finance, that the portion of the overpayment and
32 interest attributable to such spouse not be credited against the past-
33 due support, or a past-due legally enforceable debt, or amount of a
34 default in repayment of a guaranteed student, state university or city
35 university loan owed by the other spouse. Such demand may be filed with
36 the return of the spouse not liable for past-due support, or a past-due
37 legally enforceable debt, or default in repayment of a guaranteed stu-
38 dent, state university, or city university loan or with the commissioner
39 of taxation and finance within ten days after notification is provided
40 such spouse by the commissioner of taxation and finance pursuant to sub-
41 division seven of section one hundred seventy-one-c, subdivision six of
42 section one hundred seventy-one-d [or], subdivision seven of section one
43 hundred seventy-one-e or subdivision seven of section one hundred
44 seventy-one-f of the New York state tax law. Upon such demand the state
45 commissioner of taxation and finance shall determine the amount of the
46 overpayment attributable to each spouse in accordance with regulations
47 prescribed by the state commissioner of taxation and finance and credit
48 only that portion of the overpayment and interest thereon attributable
49 to the spouse liable for past-due support, or a past-due legally enfor-
50 ceable debt, or amount of a default in repayment of a guaranteed stu-
51 dent, state university or city university loan against such past-due
52 support, or a past-due legally enforceable debt, or such amount of a
53 default in repayment of a guaranteed student, state university or city
54 university loan.

1 § 101. Section 92-94 of the codes and ordinances of the city of
2 Yonkers, as amended by chapter 686 of the laws of 1989, is amended to
3 read as follows:

4 Section 92-94. DEPOSIT AND DISPOSITION OF REVENUES.--All revenue col-
5 lected by the state commissioner of taxation and finance from the tax
6 imposed by article IX or any tax imposed by article X of chapter ninety-
7 two of the codes and ordinances of the city of Yonkers shall be depo-
8 sited daily with such responsible banks, banking houses or trust compa-
9 nies, as may be designated by the state comptroller, to the credit of
10 the comptroller, in trust for the city of Yonkers. Such deposits shall
11 be kept in trust and separate and apart from all other moneys in the
12 possession of the comptroller. The state comptroller shall require ade-
13 quate security from all such depositories of such revenue collected by
14 the state commissioner of taxation and finance. The state comptroller
15 shall retain such amount as the state commissioner of taxation and
16 finance may determine to be necessary for refunds in respect to the tax
17 imposed by the city of Yonkers pursuant to article IX or article X of
18 chapter ninety-two of the codes and ordinances of the city of Yonkers
19 imposing a nonresident earnings tax and for reasonable costs of the
20 state commissioner of taxation and finance in administering, collecting
21 and distributing such taxes, out of which the state comptroller shall
22 pay any refunds of such taxes to which taxpayers shall be entitled under
23 article IX or article X of chapter ninety-two of the codes and ordi-
24 nances of the city of Yonkers imposing a nonresident earnings tax. The
25 state comptroller, after reserving such refund fund and such cost shall,
26 on or before the fifteenth day of each month, pay to the chief fiscal
27 officer of the city of Yonkers the balance of such taxes collected, to
28 be paid into the treasury of the city of Yonkers to the credit of the
29 general fund except that he/she shall pay to the state department of
30 social services that amount of overpayments of the tax imposed by the
31 city of Yonkers pursuant to article IX or article X of chapter ninety-
32 two of the codes and ordinances of the city of Yonkers imposing a tax on
33 nonresident earnings and the interest on such amount which is certified
34 to him/her by the state commissioner of taxation and finance as the
35 amount to be credited against past-due support pursuant to subdivision
36 six of section one hundred seventy-one-c of the New York state tax law
37 and except that he/she shall pay to the New York state higher education
38 services corporation that amount of overpayments of the tax imposed by
39 the city of Yonkers pursuant to article IX or article X of chapter
40 ninety-two of the codes and ordinances of the city of Yonkers imposing a
41 nonresident earnings tax and the interest on such amount which is certi-
42 fied to him/her by the state commissioner of taxation and finance as the
43 amount to be credited against the amount of defaults in repayment of
44 guaranteed student loans pursuant to subdivision five of section one
45 hundred seventy-one-d of the New York state tax law and except that
46 he/she shall pay to the state university of New York or the city univer-
47 sity of New York respectively that amount of overpayments of tax imposed
48 by article IX or article X of this chapter and the interest on such
49 amount which is certified to him by the state commissioner of taxation
50 and finance as the amount to be credited against the amount of default
51 in repayment of state or city university loans pursuant to subdivision
52 six of section one hundred seventy-one-e of the New York state tax law
53 and except that, notwithstanding any other provision of law, he shall
54 credit to the revenue arrearage account, pursuant to section ninety-one-
55 a of the New York state finance law, that amount of overpayments of the
56 tax imposed by the city of Yonkers pursuant to article IX or article X

1 of this chapter and the interest on such amount which is certified to
2 him by the state commissioner of taxation and finance as the amount to
3 be credited against a past-due legally enforceable debt owed to a state
4 agency pursuant to subdivision six of section one hundred seventy-one-f
5 of the New York state tax law and except further that he/she shall pay
6 to a non-obligated spouse that amount of overpayment of tax imposed by
7 such city pursuant to article IX or any tax imposed by article X of
8 chapter ninety-two of the codes and ordinances of the city of Yonkers or
9 article thirty-B of the New York state tax law and the interest on such
10 amount which has been credited pursuant to section one hundred seventy-
11 one-c, one hundred seventy-one-d, [or] one hundred seventy-one-e, or one
12 hundred seventy-one-f of the New York state tax law and which is certi-
13 fied to him by the commissioner of taxation and finance as the amount
14 due such non-obligated spouse pursuant to paragraph six of subsection
15 (b) of section six hundred fifty-one of the New York state tax law, and
16 he shall deduct a like amount which he shall pay into the treasury to
17 the credit of the general fund from amounts subsequently payable to the
18 department of social services, the state university of New York, the
19 city university of New York, or the higher education services corpora-
20 tion, or the revenue arrearage account pursuant to section ninety-one-a
21 of the New York state finance law, as the case may be, whichever had
22 been credited the amount originally withheld from such overpayment. The
23 amount deducted for administering, collecting and distributing such
24 taxes during such monthly period shall be paid by the state comptroller
25 into the general account of the state treasury to the credit of the
26 state purposes account therein. The first payment to the chief fiscal
27 officer of the city of Yonkers shall be made on or before March fif-
28 teenth, nineteen hundred eighty-five, which payment shall represent the
29 balance of revenue after provision for refund and such reasonable costs,
30 with respect to taxes collected in nineteen hundred eighty-four. Subse-
31 quent payments shall be made on or before April fifteenth, nineteen hun-
32 dred eighty-five, and on or before the fifteenth day of each succeeding
33 month thereafter, and shall represent the balance of revenue with
34 respect to taxes collected the preceding calendar months. The amounts
35 so payable shall be certified to the state comptroller by the state com-
36 missioner of taxation and finance or his/her delegate, either of whom
37 shall not be held liable for any inaccuracy in such certificate. Where
38 the amount so paid over to the chief fiscal officer of the city of Yonk-
39 ers is more or less than the amount then due the city of Yonkers, the
40 amount of overpayment or underpayment shall be certified to the comp-
41 troller by the state commissioner of taxation and finance or his/her
42 delegate, either of whom shall not be held liable for any inaccuracy in
43 such certificate. The amount of overpayment or underpayment shall be so
44 certified to the comptroller as soon after the discovery of the over-
45 payment or underpayment as reasonably possible and subsequent payments
46 by the comptroller to such chief fiscal officer shall be adjusted by
47 subtracting the amount of any such overpayment from, or by adding the
48 amount of any such underpayment to such number of subsequent payments
49 and distributions as the comptroller and the state commissioner of taxa-
50 tion and finance shall consider reasonable in view of the amount of the
51 overpayment or underpayment and all other facts and circumstances.

52 § 102. If a provision of this act or the application thereof shall for
53 any reason by adjudged by any court of competent jurisdiction to be in-
54 valid or unconstitutional, such judgment shall not affect, impair or
55 invalidate the remainder of this act but shall be confined in its opera-
56 tion to the provision thereof directly involved in the controversy in

1 which such judgment shall have been rendered, and the applicability of
2 such provision to other persons or circumstances shall not be affected
3 thereby. Provided, further, in the event that any provisions of section
4 171-c, 171-d or 171-e of the tax law, as amended by section seventy-four
5 through eighty of this act, shall be finally adjudged by any court of
6 competent jurisdiction to be invalid or unconstitutional, such provision
7 of such section, as in effect prior to the date this act shall have
8 become a law, shall be deemed to have been in full force and effect as
9 if such provision of such section had not been changed by this act.
10 Provided, further, if any of such provisions shall be temporarily or
11 preliminary stayed pending the outcome of any such adjudication, such
12 provision of such section, as in effect prior to the data this act shall
13 have become a law, shall be deemed to have been in full force and effect
14 as if such provision of such section had not been changed by this act,
15 during the period of such stay.

16 § 103. Report. On or before October 1, 1994, the commissioner of taxa-
17 tion and finance shall submit a report to the governor, the chairperson
18 of the senate finance committee and the chairperson of the assembly ways
19 and means committee evaluating the implementation of subdivision twenty-
20 seventh of section 171 and section 171-f of the tax law, as added by
21 sections seventy-two and eighty-one of this act, and the operation and
22 effectiveness of the offset program established pursuant to such
23 section. Such report shall be prepared by the commissioner of taxation
24 and finance in consultation with the office of the state comptroller and
25 the division of the budget, who shall provide such assistance and in-
26 formation as the commissioner may require.

27 § 104. Debt collection reporting requirements. a. For the state
28 fiscal year beginning in 1993 and in each of the succeeding five fiscal
29 years, the budget director shall, within ten days of the submission of
30 the budget, file a report with the chairmen of the senate finance com-
31 mittee and the assembly ways and means committee on debt collection ac-
32 tivities of state agencies. The first such report shall contain informa-
33 tion on no fewer than five state agencies, and each successive report
34 shall be expanded to at least three additional agencies until such time
35 as the agencies contained in the report shall account for seventy-five
36 percent of the receipts of the governmental funds of the state, exclu-
37 sive of taxes, federal funds and bonds proceeds.

38 b. Each such report shall contain information on:

39 1. The obligations owed to each such agency at the end of the previous
40 state fiscal year, including insofar as is possible:

- 41 a. the total non-tax revenue receipts collected by such agency;
- 42 b. the number of accounts comprising such outstanding obligations;
- 43 c. the length of time the various obligations have been outstanding;
- 44 and, in the second and subsequent reports,
- 45 d. the number and amount of such obligation deemed to be uncollectible
46 in the preceding state fiscal year.

47 2. A narrative description of the collection methods currently applied
48 by each such agency to assist in the collection of such obligations, the
49 systems currently used to monitor the effectiveness of such methods, and
50 changes, if any, proposed to be made in either the collection methods or
51 the monitoring systems in the year ahead.

52 3. A description of any incremental spending recommended in the exe-
53 cutive budget designed to enhance the debt collection efforts of state
54 agencies, accompanied by estimates of the potential increase in receipts
55 that is anticipated to be achieved from such enhancements; and, in the

1 third and subsequent reports, descriptions of the results of any such
2 spending enacted in the directly preceding adopted state budget.

3 4. Such other information as the director may deem useful to the com-
4 mittees in reviewing the progress of debt collection efforts by state
5 agencies.

6 § 105. (a) Nothing contained in sections sixty-seven through one hun-
7 dred four of this act shall be deemed to apply to grants and allowances
8 of public assistance provided to recipients of such grants and allow-
9 ances by social services districts pursuant to sections 131-a, 131-s,
10 301 and 350-j of the social services law.

11 (b) Prior to January 1, 1993, any state agency subject to the provi-
12 sions of section sixty-seven of this act shall, in its billing invoice
13 or notice, notify its debtors that no interest or other amounts will be
14 imposed upon them by the provisions of such section sixty-seven if they
15 pay their debts in full during the grace period which ends on December
16 31, 1992.

17 § 106. Subdivision 1 of section 10-a of the highway law, as amended by
18 chapter 166 of the laws of 1991, is amended to read as follows:

19 1. The commissioner of transportation, subject to the approval of the
20 director of the budget, is hereby authorized to enter into a cooperative
21 highway contractual agreement or agreements with the New York state
22 thruway authority and municipalities for the financing by such authority
23 of expenditures made in advance by the state for design, acquisition,
24 construction, reconstruction or the reconditioning and preservation of
25 transportation facilities, including associated costs for planning, en-
26 gineering services and construction inspection, pursuant to the provi-
27 sions of section eighty-eight-b of the state finance law, s tate high-
28 ways, state parkways, state arterial highways in cities and related
29 facilities and structures thereon, including bridges and the recondi-
30 tioning, preservation of structures separating highways and railroads,
31 the traffic operations program to increase capacity and safety on exist-
32 ing street and highway systems in urban areas, capacity and infrastruc-
33 ture improvements to state, county, town, city or village roads, high-
34 ways, parkways and bridges, and buildings, equipment, and facilities
35 used or useful in connection with the maintenance, operation, and repair
36 of said transportation facilities, streets, highways, parkways and
37 related facilities and structures, in any case where the expense thereof
38 is paid in whole or in part by the state. Such advance expenditures by
39 the state shall be recorded on a project basis and referred to as
40 "cooperative highway contractual agreement expenditures".

41 § 107. Subdivision 4 of section 10-a of the highway law, as amended by
42 chapter 13 of the laws of 1987, is amended to read as follows:

43 4. The commissioner of transportation and, with respect to municipal
44 projects, the municipality having jurisdiction over the project is
45 hereby authorized to undertake design, acquisition, construction, recon-
46 struction or the reconditioning and preservation of transportation
47 facilities, pursuant to the provisions of section eighty-eight-b of the
48 state finance law, state highways, state parkways, state arterial high-
49 ways in cities and related facilities and structures thereon, including
50 bridges, reconditioning and preservation of structures separating high-
51 ways and railroads, and the traffic operations program to increase capa-
52 city and safety on existing street and highway systems in urban areas,
53 and capacity and infrastructure improvements to state, county, town,
54 city or village roads, highways, parkways and bridges, in any case where
55 the expense thereof is paid in whole or in part by the state, as
56 financed by the New York State thruway authority of expenditures made in
57 advance by the State; and, provided that all such projects and traffic
58 operations program projects shall be performed in accordance with the

59 provisions of the highway law.