**S03228 Text:**

**STATE OF NEW YORK**

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3228

2025-2026 Regular Sessions

**IN SENATE**

January 24, 2025

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Introduced by Sen. ORTT -- read twice and ordered printed, and when

printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to eliminating state sales and

compensating use taxes on motor fuels and diesel motor fuels and

authorizing localities to eliminate such taxes at the local level; and

providing for the repeal of such provisions upon expiration thereof

(Part A); to amend the tax law, in relation to exemptions from sales

and use taxes; and providing for the repeal of such provisions upon

expiration thereof (Part B); to amend the tax law, in relation to

providing a sales tax exemption for housekeeping supplies; and provid-

ing for the repeal of such provisions upon expiration thereof (Part

C); and to amend the tax law, in relation to providing a sales tax

exemption for ready-to-eat foods; and providing for the repeal of such

provisions upon expiration thereof (Part D)

**The People of the State of New York, represented in Senate and Assem-**

**bly, do enact as follows:**

1 Section 1. This act enacts into law components of legislation relating

2 to establishing various exemptions from New York's sales and compensat-

3 ing use tax. Each component is wholly contained within a Part identi-

4 fied as Parts A through D. The effective date for each particular

5 provision contained within such Part is set forth in the last section of

6 such Part. Any provision in any section contained within a Part, includ-

7 ing the effective date of the Part, which makes a reference to a section

8 "of this act", when used in connection with that particular component,

9 shall be deemed to mean and refer to the corresponding section of the

10 Part in which it is found. Section three of this act sets forth the

11 general effective date of this act.

12 PART A

13 Section 1. Subdivision (a) of section 1115 of the tax law is amended

14 by adding a new paragraph 47 to read as follows:

15 **(47) Motor fuel and diesel motor fuel.**

EXPLANATION--Matter in **italics** (underscored) is new; matter in brackets

[] is old law to be omitted.

LBD07042-01-5

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1 § 2. Subdivision (b) of section 1107 of the tax law is amended by

2 adding a new clause 12 to read as follows:

3 **(12) Except as otherwise provided by law, the exemption provided in**

4 **paragraph forty-seven of subdivision (a) of section eleven hundred**

5 **fifteen of this article relating to motor fuel and diesel motor fuel**

6 **shall be applicable pursuant to a local law, ordinance or resolution**

7 **adopted by a city subject to the provisions of this section. Such city**

8 **is empowered to adopt or repeal such a local law, ordinance or resol-**

9 **ution. Such adoption or repeal shall also be deemed to amend any local**

10 **law, ordinance or resolution enacted by such a city imposing taxes**

11 **pursuant to the authority of subdivision (a) of section twelve hundred**

12 **ten of this chapter.**

13 § 3. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as

14 amended by section 5 of part J of chapter 59 of the laws of 2021, is

15 amended to read as follows:

16 (1) Either, all of the taxes described in article twenty-eight of this

17 chapter, at the same uniform rate, as to which taxes all provisions of

18 the local laws, ordinances or resolutions imposing such taxes shall be

19 identical, except as to rate and except as otherwise provided, with the

20 corresponding provisions in such article twenty-eight, including the

21 definition and exemption provisions of such article, so far as the

22 provisions of such article twenty-eight can be made applicable to the

23 taxes imposed by such city or county and with such limitations and

24 special provisions as are set forth in this article. The taxes author-

25 ized under this subdivision may not be imposed by a city or county

26 unless the local law, ordinance or resolution imposes such taxes so as

27 to include all portions and all types of receipts, charges or rents,

28 subject to state tax under sections eleven hundred five and eleven

29 hundred ten of this chapter, except as otherwise provided. Notwith-

30 standing the foregoing, a tax imposed by a city or county authorized

31 under this subdivision shall not include the tax imposed on charges for

32 admission to race tracks and simulcast facilities under subdivision (f)

33 of section eleven hundred five of this chapter. (i) Any local law, ordi-

34 nance or resolution enacted by any city of less than one million or by

35 any county or school district, imposing the taxes authorized by this

36 subdivision, shall, notwithstanding any provision of law to the contra-

37 ry, exclude from the operation of such local taxes all sales of tangible

38 personal property for use or consumption directly and predominantly in

39 the production of tangible personal property, gas, electricity, refrig-

40 eration or steam, for sale, by manufacturing, processing, generating,

41 assembly, refining, mining or extracting; and all sales of tangible

42 personal property for use or consumption predominantly either in the

43 production of tangible personal property, for sale, by farming or in a

44 commercial horse boarding operation, or in both; and all sales of fuel

45 sold for use in commercial aircraft and general aviation aircraft; and,

46 unless such city, county or school district elects otherwise, shall omit

47 the provision for credit or refund contained in clause six of subdivi-

48 sion (a) or subdivision (d) of section eleven hundred nineteen of this

49 chapter. (ii) Any local law, ordinance or resolution enacted by any

50 city, county or school district, imposing the taxes authorized by this

51 subdivision, shall omit the residential solar energy systems equipment

52 and electricity exemption provided for in subdivision (ee), the commer-

53 cial solar energy systems equipment and electricity exemption provided

54 for in subdivision (ii), the commercial fuel cell electricity generating

55 systems equipment and electricity generated by such equipment exemption

56 provided for in subdivision (kk) and the clothing and footwear exemption

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1 provided for in paragraph thirty of subdivision (a) of section eleven

2 hundred fifteen of this chapter, unless such city, county or school

3 district elects otherwise as to such residential solar energy systems

4 equipment and electricity exemption, such commercial solar energy

5 systems equipment and electricity exemption, commercial fuel cell elec-

6 tricity generating systems equipment and electricity generated by such

7 equipment exemption or such clothing and footwear exemption. **(iii) Any**

8 **local law, ordinance or resolution enacted by any city, county or school**

9 **district, imposing the taxes authorized by this subdivision, shall omit**

10 **the motor fuel and diesel motor fuel exemption provided for in paragraph**

11 **forty-seven of subdivision (a) of section eleven hundred fifteen of this**

12 **chapter, unless such city, county or school district elects otherwise;**

13 **provided that if such a city having a population of one million or more**

14 **enacts the resolution described in subdivision (q) of this section or**

15 **repeals such resolution, such resolution or repeal shall also be deemed**

16 **to amend any local law, ordinance or resolution enacted by such a city**

17 **imposing such taxes pursuant to the authority of this subdivision,**

18 **whether or not such taxes are suspended at the time such city enacts its**

19 **resolution pursuant to subdivision (q) of this section or at the time of**

20 **any such repeal; provided, further, that any such local law, ordinance**

21 **or resolution and section eleven hundred seven of this chapter, as**

22 **deemed to be amended in the event a city of one million or more enacts a**

23 **resolution pursuant to the authority of subdivision (q) of this section,**

24 **shall be further amended, as provided in section twelve hundred eighteen**

25 **of this subpart, so that the motor fuel and diesel motor fuel exemption**

26 **in any such local law, ordinance or resolution or in such section eleven**

27 **hundred seven of this chapter is the same as the motor fuel and diesel**

28 **motor fuel exemption in paragraph forty-seven of subdivision (a) of**

29 **section eleven hundred fifteen of this chapter.**

30 § 4. Subdivision (d) of section 1210 of the tax law, as amended by

31 section 4 of part WW of chapter 60 of the laws of 2016, is amended to

32 read as follows:

33 (d) A local law, ordinance or resolution imposing any tax pursuant to

34 this section, increasing or decreasing the rate of such tax, repealing

35 or suspending such tax, exempting from such tax the energy sources and

36 services described in paragraph three of subdivision (a) or of subdivi-

37 sion (b) of this section or changing the rate of tax imposed on such

38 energy sources and services or providing for the credit or refund

39 described in clause six of subdivision (a) of section eleven hundred

40 nineteen of this chapter, or electing or repealing the exemption for

41 residential solar equipment and electricity in subdivision (ee) of

42 section eleven hundred fifteen of this article, or the exemption for

43 commercial solar equipment and electricity in subdivision (ii) of

44 section eleven hundred fifteen of this article, or electing or repealing

45 the exemption for commercial fuel cell electricity generating systems

46 equipment and electricity generated by such equipment in subdivision

47 (kk) of section eleven hundred fifteen of this article must go into

48 effect only on one of the following dates: March first, June first,

49 September first or December first; provided, that a local law, ordinance

50 or resolution providing for the exemption described in paragraph thirty

51 of subdivision (a) of section eleven hundred fifteen of this chapter or

52 repealing any such exemption or a local law, ordinance or resolution

53 providing for a refund or credit described in subdivision (d) of section

54 eleven hundred nineteen of this chapter or repealing such provision so

55 provided must go into effect only on March first**; provided, further,**

56 **that a local law, ordinance or resolution providing for the exemption**

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1 **described in paragraph forty-seven of subdivision (a) of section eleven**

2 **hundred fifteen of this chapter or repealing any such exemption so**

3 **provided and a resolution enacted pursuant to the authority of subdivi-**

4 **sion (q) of this section providing such exemption or repealing such**

5 **exemption so provided may go into effect immediately**. No such local law,

6 ordinance or resolution shall be effective unless a certified copy of

7 such law, ordinance or resolution is mailed by registered or certified

8 mail to the commissioner at the commissioner's office in Albany at least

9 ninety days prior to the date it is to become effective. However, the

10 commissioner may waive and reduce such ninety-day minimum notice

11 requirement to a mailing of such certified copy by registered or certi-

12 fied mail within a period of not less than thirty days prior to such

13 effective date if the commissioner deems such action to be consistent

14 with the commissioner's duties under section twelve hundred fifty of

15 this article and the commissioner acts by resolution. Where the

16 restriction provided for in section twelve hundred twenty-three of this

17 article as to the effective date of a tax and the notice requirement

18 provided for therein are applicable and have not been waived, the

19 restriction and notice requirement in section twelve hundred twenty-

20 three of this article shall also apply.

21 § 5. Section 1210 of the tax law is amended by adding a new subdivi-

22 sion (q) to read as follows:

23 **(q) Notwithstanding any other provision of state or local law, ordi-**

24 **nance or resolution to the contrary:**

25 **(1) Any city having a population of one million or more in which the**

26 **taxes imposed by section eleven hundred seven of this chapter are in**

27 **effect, acting through its local legislative body, is hereby authorized**

28 **and empowered to elect to provide the exemption from such taxes for the**

29 **same motor fuel and diesel motor fuel exempt from state sales and**

30 **compensating use taxes described in paragraph forty-seven of subdivision**

31 **(a) of section eleven hundred fifteen of this chapter by enacting a**

32 **resolution in the form set forth in paragraph two of this subdivision;**

33 **whereupon, upon compliance with the provisions of subdivisions (d) and**

34 **(e) of this section, such enactment of such resolution shall be deemed**

35 **to be an amendment to such section eleven hundred seven and such section**

36 **eleven hundred seven shall be deemed to incorporate such exemption as if**

37 **it had been duly enacted by the state legislature and approved by the**

38 **governor.**

39 **(2) Form of Resolution: Be it enacted by the (insert proper title of**

40 **local legislative body) as follows:**

41 **Section one. Receipts from sales of and consideration given or**

42 **contracted to be given for purchases of motor fuel and diesel motor fuel**

43 **exempt from state sales and compensating use taxes pursuant to paragraph**

44 **forty-seven of subdivision (a) of section eleven hundred fifteen of the**

45 **tax law shall also be exempt from sales and compensating use taxes**

46 **imposed in this jurisdiction.**

47 **Section two. This resolution shall take effect, (insert the date) and**

48 **shall apply to sales made and uses occurring on and after that date**

49 **although made or occurring under a prior contract.**

50 § 6. The commissioner of taxation and finance is hereby authorized to

51 implement the provisions of this act with respect to the elimination of

52 the imposition of sales tax, additional taxes, and supplemental taxes on

53 diesel motor fuel and motor fuel and all other taxes so addressed by

54 this act.

55 § 7. This act shall take effect on the first day of the sales tax

56 quarterly period, as described in subdivision (b) of section 1136 of the

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1 tax law, next commencing at least 90 days after this act shall have

2 become a law and shall apply in accordance with the applicable transi-

3 tional provisions of sections 1106 and 1217 of the tax law and shall

4 expire and be deemed repealed two years after such date.

5 PART B

6 Section 1. Paragraph 3 of subdivision (a) of section 1115 of the tax

7 law, as amended by chapter 201 of the laws of 1976, is amended to read

8 as follows:

9 (3) Drugs and medicines intended for use, internally or externally, in

10 the cure, mitigation, treatment or prevention of illnesses or diseases

11 in human beings, medical equipment (including component parts thereof)

12 and supplies required for such use or to correct or alleviate physical

13 incapacity, and products consumed by humans for the preservation of

14 health but not including cosmetics [**~~or toilet articles~~**] notwithstanding

15 the presence of medicinal ingredients therein or medical equipment

16 (including component parts thereof) and supplies, other than such drugs

17 and medicines, purchased at retail for use in performing medical and

18 similar services for compensation.

19 § 2. Subdivision (a) of section 1115 of the tax law is amended by

20 adding a new paragraph 48 to read as follows:

21 **(48) Personal care products as determined by the commissioner.**

22 § 3. Subdivision (b) of section 1107 of the tax law is amended by

23 adding a new clause 13 to read as follows:

24 **(13) Except as otherwise provided by law, the exemption provided in**

25 **paragraph forty-eight of subdivision (a) of section eleven hundred**

26 **fifteen of this article relating to personal care products shall be**

27 **applicable pursuant to a local law, ordinance or resolution adopted by a**

28 **city subject to the provisions of this section. Such city is empowered**

29 **to adopt or repeal such a local law, ordinance or resolution. Such**

30 **adoption or repeal shall also be deemed to amend any local law, ordi-**

31 **nance or resolution enacted by such a city imposing taxes pursuant to**

32 **the authority of subdivision (a) of section twelve hundred ten of this**

33 **chapter.**

34 § 4. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as

35 amended by section 5 of part J of chapter 59 of the laws of 2021, is

36 amended to read as follows:

37 (1) Either, all of the taxes described in article twenty-eight of this

38 chapter, at the same uniform rate, as to which taxes all provisions of

39 the local laws, ordinances or resolutions imposing such taxes shall be

40 identical, except as to rate and except as otherwise provided, with the

41 corresponding provisions in such article twenty-eight, including the

42 definition and exemption provisions of such article, so far as the

43 provisions of such article twenty-eight can be made applicable to the

44 taxes imposed by such city or county and with such limitations and

45 special provisions as are set forth in this article. The taxes author-

46 ized under this subdivision may not be imposed by a city or county

47 unless the local law, ordinance or resolution imposes such taxes so as

48 to include all portions and all types of receipts, charges or rents,

49 subject to state tax under sections eleven hundred five and eleven

50 hundred ten of this chapter, except as otherwise provided. Notwith-

51 standing the foregoing, a tax imposed by a city or county authorized

52 under this subdivision shall not include the tax imposed on charges for

53 admission to race tracks and simulcast facilities under subdivision (f)

54 of section eleven hundred five of this chapter. (i) Any local law, ordi-

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1 nance or resolution enacted by any city of less than one million or by

2 any county or school district, imposing the taxes authorized by this

3 subdivision, shall, notwithstanding any provision of law to the contra-

4 ry, exclude from the operation of such local taxes all sales of tangible

5 personal property for use or consumption directly and predominantly in

6 the production of tangible personal property, gas, electricity, refrig-

7 eration or steam, for sale, by manufacturing, processing, generating,

8 assembly, refining, mining or extracting; and all sales of tangible

9 personal property for use or consumption predominantly either in the

10 production of tangible personal property, for sale, by farming or in a

11 commercial horse boarding operation, or in both; and all sales of fuel

12 sold for use in commercial aircraft and general aviation aircraft; and,

13 unless such city, county or school district elects otherwise, shall omit

14 the provision for credit or refund contained in clause six of subdivi-

15 sion (a) or subdivision (d) of section eleven hundred nineteen of this

16 chapter. (ii) Any local law, ordinance or resolution enacted by any

17 city, county or school district, imposing the taxes authorized by this

18 subdivision, shall omit the residential solar energy systems equipment

19 and electricity exemption provided for in subdivision (ee), the commer-

20 cial solar energy systems equipment and electricity exemption provided

21 for in subdivision (ii), the commercial fuel cell electricity generating

22 systems equipment and electricity generated by such equipment exemption

23 provided for in subdivision (kk) and the clothing and footwear exemption

24 provided for in paragraph thirty of subdivision (a) of section eleven

25 hundred fifteen of this chapter, unless such city, county or school

26 district elects otherwise as to such residential solar energy systems

27 equipment and electricity exemption, such commercial solar energy

28 systems equipment and electricity exemption, commercial fuel cell elec-

29 tricity generating systems equipment and electricity generated by such

30 equipment exemption or such clothing and footwear exemption. **(iii) Any**

31 **local law, ordinance or resolution enacted by any city, county or school**

32 **district, imposing the taxes authorized by this subdivision, shall omit**

33 **the personal care products exemption provided for in paragraph forty-**

34 **eight of subdivision (a) of section eleven hundred fifteen of this chap-**

35 **ter, unless such city, county or school district elects otherwise;**

36 **provided that if such a city having a population of one million or more**

37 **enacts the resolution described in subdivision (r) of this section or**

38 **repeals such resolution, such resolution or repeal shall also be deemed**

39 **to amend any local law, ordinance or resolution enacted by such a city**

40 **imposing such taxes pursuant to the authority of this subdivision,**

41 **whether or not such taxes are suspended at the time such city enacts its**

42 **resolution pursuant to subdivision (r) of this section or at the time of**

43 **such repeal; provided, further, that any such local law, ordinance or**

44 **resolution and section eleven hundred seven of this chapter, as deemed**

45 **to be amended in the event a city of one million or more enacts a resol-**

46 **ution pursuant to the authority of subdivision (r) of this section,**

47 **shall be further amended, as provided in section twelve hundred eighteen**

48 **of this subpart, so that the personal care products exemption in any**

49 **such local law, ordinance or resolution or in such section eleven**

50 **hundred seven of this chapter is the same as the personal care products**

51 **exemption in paragraph forty-eight of subdivision (a) of section eleven**

52 **hundred fifteen of this chapter.**

53 § 5. Subdivision (d) of section 1210 of the tax law, as amended by

54 section 4 of part WW of chapter 60 of the laws of 2016, is amended to

55 read as follows:

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1 (d) A local law, ordinance or resolution imposing any tax pursuant to

2 this section, increasing or decreasing the rate of such tax, repealing

3 or suspending such tax, exempting from such tax the energy sources and

4 services described in paragraph three of subdivision (a) or of subdivi-

5 sion (b) of this section or changing the rate of tax imposed on such

6 energy sources and services or providing for the credit or refund

7 described in clause six of subdivision (a) of section eleven hundred

8 nineteen of this chapter, or electing or repealing the exemption for

9 residential solar equipment and electricity in subdivision (ee) of

10 section eleven hundred fifteen of this article, or the exemption for

11 commercial solar equipment and electricity in subdivision (ii) of

12 section eleven hundred fifteen of this article, or electing or repealing

13 the exemption for commercial fuel cell electricity generating systems

14 equipment and electricity generated by such equipment in subdivision

15 (kk) of section eleven hundred fifteen of this article must go into

16 effect only on one of the following dates: March first, June first,

17 September first or December first; provided, that a local law, ordinance

18 or resolution providing for the exemption described in paragraph thirty

19 of subdivision (a) of section eleven hundred fifteen of this chapter or

20 repealing any such exemption or a local law, ordinance or resolution

21 providing for a refund or credit described in subdivision (d) of section

22 eleven hundred nineteen of this chapter or repealing such provision so

23 provided must go into effect only on March first**; provided, further,**

24 **that a local law, ordinance or resolution providing for the exemption**

25 **described in paragraph forty-eight of subdivision (a) of section eleven**

26 **hundred fifteen of this chapter or repealing any such exemption so**

27 **provided and a resolution enacted pursuant to the authority of subdivi-**

28 **sion (r) of this section providing such exemption or repealing such**

29 **exemption so provided may go into effect immediately**. No such local law,

30 ordinance or resolution shall be effective unless a certified copy of

31 such law, ordinance or resolution is mailed by registered or certified

32 mail to the commissioner at the commissioner's office in Albany at least

33 ninety days prior to the date it is to become effective. However, the

34 commissioner may waive and reduce such ninety-day minimum notice

35 requirement to a mailing of such certified copy by registered or certi-

36 fied mail within a period of not less than thirty days prior to such

37 effective date if the commissioner deems such action to be consistent

38 with the commissioner's duties under section twelve hundred fifty of

39 this article and the commissioner acts by resolution. Where the

40 restriction provided for in section twelve hundred twenty-three of this

41 article as to the effective date of a tax and the notice requirement

42 provided for therein are applicable and have not been waived, the

43 restriction and notice requirement in section twelve hundred twenty-

44 three of this article shall also apply.

45 § 6. Section 1210 of the tax law is amended by adding a new subdivi-

46 sion (r) to read as follows:

47 **(r) Notwithstanding any other provision of state or local law, ordi-**

48 **nance or resolution to the contrary: (1) Any city having a population of**

49 **one million or more in which the taxes imposed by section eleven hundred**

50 **seven of this chapter are in effect, acting through its local legisla-**

51 **tive body, is hereby authorized and empowered to elect to provide the**

52 **exemption from such taxes for the same personal care products exempt**

53 **from state sales and compensating use taxes described in paragraph**

54 **forty-eight of subdivision (a) of section eleven hundred fifteen of this**

55 **chapter by enacting a resolution in the form set forth in paragraph two**

56 **of this subdivision; whereupon, upon compliance with the provisions of**

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1 **subdivisions (d) and (e) of this section, such enactment of such resol-**

2 **ution shall be deemed to be an amendment to such section eleven hundred**

3 **seven and such section eleven hundred seven shall be deemed to incorpo-**

4 **rate such exemption as if it had been duly enacted by the state legisla-**

5 **ture and approved by the governor.**

6 **(2) Form of resolution: Be it enacted by the (insert proper title of**

7 **local legislative body) as follows:**

8 **Section one. Receipts from sales of and consideration given or**

9 **contracted to be given for purchases of personal care products exempt**

10 **from state sales and compensating use taxes pursuant to paragraph**

11 **forty-eight of subdivision (a) of section eleven hundred fifteen of the**

12 **tax law shall also be exempt from sales and compensating use taxes**

13 **imposed in this jurisdiction.**

14 **Section two. This resolution shall take effect, (insert the date) and**

15 **shall apply to sales made and uses occurring on and after that date**

16 **although made or occurring under a prior contract.**

17 § 7. The commissioner of taxation and finance is hereby authorized to

18 implement the provisions of this act with respect to the elimination of

19 the imposition of sales tax, additional taxes, and supplemental taxes on

20 personal care products and all other taxes so addressed by this act.

21 § 8. This act shall take effect on the first day of the sales tax

22 quarterly period, as described in subdivision (b) of section 1136 of the

23 tax law, beginning at least 90 days after the date this act shall have

24 become a law and shall apply in accordance with the applicable transi-

25 tional provisions of sections 1106 and 1217 of the tax law and shall

26 expire and be deemed repealed two years after such date.

27 PART C

28 Section 1. Subdivision (a) of section 1115 of the tax law is amended

29 by adding a new paragraph 49 to read as follows:

30 **(49) Housekeeping supplies as determined by the commissioner.**

31 § 2. Subdivision (b) of section 1107 of the tax law is amended by

32 adding a new clause 14 to read as follows:

33 **(14) Except as otherwise provided by law, the exemption provided in**

34 **paragraph forty-nine of subdivision (a) of section eleven hundred**

35 **fifteen of this article relating to housekeeping supplies shall be**

36 **applicable pursuant to a local law, ordinance or resolution adopted by a**

37 **city subject to the provisions of this section. Such city is empowered**

38 **to adopt or repeal such a local law, ordinance or resolution. Such**

39 **adoption or repeal shall also be deemed to amend any local law, ordi-**

40 **nance or resolution enacted by such a city imposing taxes pursuant to**

41 **the authority of subdivision (a) of section twelve hundred ten of this**

42 **chapter.**

43 § 3. Paragraph 1 of subdivision (a) of section 1210 of the tax law,

44 as amended by section 5 of part J of chapter 59 of the laws of 2021, is

45 amended to read as follows:

46 (1) Either, all of the taxes described in article twenty-eight of this

47 chapter, at the same uniform rate, as to which taxes all provisions of

48 the local laws, ordinances or resolutions imposing such taxes shall be

49 identical, except as to rate and except as otherwise provided, with the

50 corresponding provisions in such article twenty-eight, including the

51 definition and exemption provisions of such article, so far as the

52 provisions of such article twenty-eight can be made applicable to the

53 taxes imposed by such city or county and with such limitations and

54 special provisions as are set forth in this article. The taxes author-

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1 ized under this subdivision may not be imposed by a city or county

2 unless the local law, ordinance or resolution imposes such taxes so as

3 to include all portions and all types of receipts, charges or rents,

4 subject to state tax under sections eleven hundred five and eleven

5 hundred ten of this chapter, except as otherwise provided. Notwith-

6 standing the foregoing, a tax imposed by a city or county authorized

7 under this subdivision shall not include the tax imposed on charges for

8 admission to race tracks and simulcast facilities under subdivision (f)

9 of section eleven hundred five of this chapter. (i) Any local law, ordi-

10 nance or resolution enacted by any city of less than one million or by

11 any county or school district, imposing the taxes authorized by this

12 subdivision, shall, notwithstanding any provision of law to the contra-

13 ry, exclude from the operation of such local taxes all sales of tangible

14 personal property for use or consumption directly and predominantly in

15 the production of tangible personal property, gas, electricity, refrig-

16 eration or steam, for sale, by manufacturing, processing, generating,

17 assembly, refining, mining or extracting; and all sales of tangible

18 personal property for use or consumption predominantly either in the

19 production of tangible personal property, for sale, by farming or in a

20 commercial horse boarding operation, or in both; and all sales of fuel

21 sold for use in commercial aircraft and general aviation aircraft; and,

22 unless such city, county or school district elects otherwise, shall omit

23 the provision for credit or refund contained in clause six of subdivi-

24 sion (a) or subdivision (d) of section eleven hundred nineteen of this

25 chapter. (ii) Any local law, ordinance or resolution enacted by any

26 city, county or school district, imposing the taxes authorized by this

27 subdivision, shall omit the residential solar energy systems equipment

28 and electricity exemption provided for in subdivision (ee), the commer-

29 cial solar energy systems equipment and electricity exemption provided

30 for in subdivision (ii), the commercial fuel cell electricity generating

31 systems equipment and electricity generated by such equipment exemption

32 provided for in subdivision (kk) and the clothing and footwear exemption

33 provided for in paragraph thirty of subdivision (a) of section eleven

34 hundred fifteen of this chapter, unless such city, county or school

35 district elects otherwise as to such residential solar energy systems

36 equipment and electricity exemption, such commercial solar energy

37 systems equipment and electricity exemption, commercial fuel cell elec-

38 tricity generating systems equipment and electricity generated by such

39 equipment exemption or such clothing and footwear exemption. **(iii) Any**

40 **local law, ordinance or resolution enacted by any city, county or school**

41 **district, imposing the taxes authorized by this subdivision, shall omit**

42 **the housekeeping supplies exemption provided for in paragraph forty-nine**

43 **of subdivision (a) of section eleven hundred fifteen of this chapter,**

44 **unless such city, county or school district elects otherwise; provided**

45 **that if such a city having a population of one million or more enacts**

46 **the resolution described in subdivision (s) of this section or repeals**

47 **such resolution, such resolution or repeal shall also be deemed to amend**

48 **any local law, ordinance or resolution enacted by such a city imposing**

49 **such taxes pursuant to the authority of this subdivision, whether or not**

50 **such taxes are suspended at the time such city enacts its resolution**

51 **pursuant to subdivision (s) of this section or at the time of such**

52 **repeal; provided, further, that any such local law, ordinance or resol-**

53 **ution and section eleven hundred seven of this chapter, as deemed to be**

54 **amended in the event a city of one million or more enacts a resolution**

55 **pursuant to the authority of subdivision (s) of this section, shall be**

56 **further amended, as provided in section twelve hundred eighteen of this**

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1 **subpart, so that the housekeeping supplies exemption in any such local**

2 **law, ordinance or resolution or in such section eleven hundred seven of**

3 **this chapter is the same as the housekeeping supplies exemption in para-**

4 **graph forty-nine of subdivision (a) of section eleven hundred fifteen of**

5 **this chapter.**

6 § 4. Subdivision (d) of section 1210 of the tax law, as amended by

7 section 4 of part WW of chapter 60 of the laws of 2016, is amended to

8 read as follows:

9 (d) A local law, ordinance or resolution imposing any tax pursuant to

10 this section, increasing or decreasing the rate of such tax, repealing

11 or suspending such tax, exempting from such tax the energy sources and

12 services described in paragraph three of subdivision (a) or of subdivi-

13 sion (b) of this section or changing the rate of tax imposed on such

14 energy sources and services or providing for the credit or refund

15 described in clause six of subdivision (a) of section eleven hundred

16 nineteen of this chapter, or electing or repealing the exemption for

17 residential solar equipment and electricity in subdivision (ee) of

18 section eleven hundred fifteen of this article, or the exemption for

19 commercial solar equipment and electricity in subdivision (ii) of

20 section eleven hundred fifteen of this article, or electing or repealing

21 the exemption for commercial fuel cell electricity generating systems

22 equipment and electricity generated by such equipment in subdivision

23 (kk) of section eleven hundred fifteen of this article must go into

24 effect only on one of the following dates: March first, June first,

25 September first or December first; provided, that a local law, ordinance

26 or resolution providing for the exemption described in paragraph thirty

27 of subdivision (a) of section eleven hundred fifteen of this chapter or

28 repealing any such exemption or a local law, ordinance or resolution

29 providing for a refund or credit described in subdivision (d) of section

30 eleven hundred nineteen of this chapter or repealing such provision so

31 provided must go into effect only on March first**; provided, further,**

32 **that a local law, ordinance or resolution providing for the exemption**

33 **described in paragraph forty-nine of subdivision (a) of section eleven**

34 **hundred fifteen of this chapter or repealing any such exemption so**

35 **provided and a resolution enacted pursuant to the authority of subdivi-**

36 **sion (s) of this section providing such exemption or repealing such**

37 **exemption so provided may go into effect immediately**. No such local law,

38 ordinance or resolution shall be effective unless a certified copy of

39 such law, ordinance or resolution is mailed by registered or certified

40 mail to the commissioner at the commissioner's office in Albany at least

41 ninety days prior to the date it is to become effective. However, the

42 commissioner may waive and reduce such ninety-day minimum notice

43 requirement to a mailing of such certified copy by registered or certi-

44 fied mail within a period of not less than thirty days prior to such

45 effective date if the commissioner deems such action to be consistent

46 with the commissioner's duties under section twelve hundred fifty of

47 this article and the commissioner acts by resolution. Where the

48 restriction provided for in section twelve hundred twenty-three of this

49 article as to the effective date of a tax and the notice requirement

50 provided for therein are applicable and have not been waived, the

51 restriction and notice requirement in section twelve hundred twenty-

52 three of this article shall also apply.

53 § 5. Section 1210 of the tax law is amended by adding a new subdivi-

54 sion (s) to read as follows:

55 **(s) Notwithstanding any other provision of state or local law, ordi-**

56 **nance or resolution to the contrary: (1) Any city having a population of**

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1 **one million or more in which the taxes imposed by section eleven hundred**

2 **seven of this chapter are in effect, acting through its local legisla-**

3 **tive body, is hereby authorized and empowered to elect to provide the**

4 **exemption from such taxes for the same housekeeping supplies exempt from**

5 **state sales and compensating use taxes described in paragraph forty-nine**

6 **of subdivision (a) of section eleven hundred fifteen of this chapter by**

7 **enacting a resolution in the form set forth in paragraph two of this**

8 **subdivision; whereupon, upon compliance with the provisions of subdivi-**

9 **sions (d) and (e) of this section, such enactment of such resolution**

10 **shall be deemed to be an amendment to such section eleven hundred seven**

11 **and such section eleven hundred seven shall be deemed to incorporate**

12 **such exemption as if it had been duly enacted by the state legislature**

13 **and approved by the governor.**

14 **(2) Form of resolution: Be it enacted by the (insert proper title of**

15 **local legislative body) as follows:**

16 **Section one. Receipts from sales of and consideration given or**

17 **contracted to be given for purchases of housekeeping supplies exempt**

18 **from state sales and compensating use taxes pursuant to paragraph**

19 **forty-nine of subdivision (a) of section eleven hundred fifteen of the**

20 **tax law shall also be exempt from sales and compensating use taxes**

21 **imposed in this jurisdiction.**

22 **Section two. This resolution shall take effect, (insert the date) and**

23 **shall apply to sales made and uses occurring on and after that date**

24 **although made or occurring under a prior contract.**

25 § 6. The commissioner of taxation and finance is hereby authorized to

26 implement the provisions of this act with respect to the elimination of

27 the imposition of sales tax, additional taxes, and supplemental taxes on

28 housekeeping supplies and all other taxes so addressed by this act.

29 § 7. This act shall take effect on the first day of the sales tax

30 quarterly period, as described in subdivision (b) of section 1136 of the

31 tax law, beginning at least 90 days after the date this act shall have

32 become a law and shall apply in accordance with the applicable transi-

33 tional provisions of sections 1106 and 1217 of the tax law and shall

34 expire and be deemed repealed two years after such date.

35 PART D

36 Section 1. Subdivision (a) of section 1115 of the tax law is amended

37 by adding a new paragraph (1-a) to read as follows:

38 **(1-a) Food which is sold heated or prepared, including food sold at**

39 **grocery stores, restaurants, diners, taverns, food trucks, and food**

40 **courts at a mall and food that is catered.**

41 § 2. Subdivision (b) of section 1107 of the tax law is amended by

42 adding a new clause 15 to read as follows:

43 **(15) Except as otherwise provided by law, the exemption provided in**

44 **paragraph one-a of subdivision (a) of section eleven hundred fifteen of**

45 **this article relating to heated or prepared foods shall be applicable**

46 **pursuant to a local law, ordinance or resolution adopted by a city**

47 **subject to the provisions of this section. Such city is empowered to**

48 **adopt or repeal such a local law, ordinance or resolution. Such adoption**

49 **or repeal shall also be deemed to amend any local law, ordinance or**

50 **resolution enacted by such a city imposing taxes pursuant to the author-**

51 **ity of subdivision (a) of section twelve hundred ten of this chapter.**

52 § 3. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as

53 amended by section 5 of part J of chapter 59 of the laws of 2021, is

54 amended to read as follows:

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1 (1) Either, all of the taxes described in article twenty-eight of this

2 chapter, at the same uniform rate, as to which taxes all provisions of

3 the local laws, ordinances or resolutions imposing such taxes shall be

4 identical, except as to rate and except as otherwise provided, with the

5 corresponding provisions in such article twenty-eight, including the

6 definition and exemption provisions of such article, so far as the

7 provisions of such article twenty-eight can be made applicable to the

8 taxes imposed by such city or county and with such limitations and

9 special provisions as are set forth in this article. The taxes author-

10 ized under this subdivision may not be imposed by a city or county

11 unless the local law, ordinance or resolution imposes such taxes so as

12 to include all portions and all types of receipts, charges or rents,

13 subject to state tax under sections eleven hundred five and eleven

14 hundred ten of this chapter, except as otherwise provided. Notwith-

15 standing the foregoing, a tax imposed by a city or county authorized

16 under this subdivision shall not include the tax imposed on charges for

17 admission to race tracks and simulcast facilities under subdivision (f)

18 of section eleven hundred five of this chapter. (i) Any local law, ordi-

19 nance or resolution enacted by any city of less than one million or by

20 any county or school district, imposing the taxes authorized by this

21 subdivision, shall, notwithstanding any provision of law to the contra-

22 ry, exclude from the operation of such local taxes all sales of tangible

23 personal property for use or consumption directly and predominantly in

24 the production of tangible personal property, gas, electricity, refrig-

25 eration or steam, for sale, by manufacturing, processing, generating,

26 assembly, refining, mining or extracting; and all sales of tangible

27 personal property for use or consumption predominantly either in the

28 production of tangible personal property, for sale, by farming or in a

29 commercial horse boarding operation, or in both; and all sales of fuel

30 sold for use in commercial aircraft and general aviation aircraft; and,

31 unless such city, county or school district elects otherwise, shall omit

32 the provision for credit or refund contained in clause six of subdivi-

33 sion (a) or subdivision (d) of section eleven hundred nineteen of this

34 chapter. (ii) Any local law, ordinance or resolution enacted by any

35 city, county or school district, imposing the taxes authorized by this

36 subdivision, shall omit the residential solar energy systems equipment

37 and electricity exemption provided for in subdivision (ee), the commer-

38 cial solar energy systems equipment and electricity exemption provided

39 for in subdivision (ii), the commercial fuel cell electricity generating

40 systems equipment and electricity generated by such equipment exemption

41 provided for in subdivision (kk) and the clothing and footwear exemption

42 provided for in paragraph thirty of subdivision (a) of section eleven

43 hundred fifteen of this chapter, unless such city, county or school

44 district elects otherwise as to such residential solar energy systems

45 equipment and electricity exemption, such commercial solar energy

46 systems equipment and electricity exemption, commercial fuel cell elec-

47 tricity generating systems equipment and electricity generated by such

48 equipment exemption or such clothing and footwear exemption. **(iii) Any**

49 **local law, ordinance or resolution enacted by any city, county or school**

50 **district, imposing the taxes authorized by this subdivision, shall omit**

51 **the hot or prepared food items exemption provided for in paragraph one-a**

52 **of subdivision (a) of section eleven hundred fifteen of this chapter,**

53 **unless such city, county or school district elects otherwise; provided**

54 **that if such a city having a population of one million or more enacts**

55 **the resolution described in subdivision (t) of this section or repeals**

56 **such resolution, such resolution or repeal shall also be deemed to amend**

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1 **any local law, ordinance or resolution enacted by such a city imposing**

2 **such taxes pursuant to the authority of this subdivision, whether or not**

3 **such taxes are suspended at the time such city enacts its resolution**

4 **pursuant to subdivision (t) of this section or at the time of such**

5 **repeal; provided, further, that any such local law, ordinance or resol-**

6 **ution and section eleven hundred seven of this chapter, as deemed to be**

7 **amended in the event a city of one million or more enacts a resolution**

8 **pursuant to the authority of subdivision (t) of this section, shall be**

9 **further amended, as provided in section twelve hundred eighteen of this**

10 **subpart, so that the hot or prepared food items exemption in any such**

11 **local law, ordinance or resolution or in such section eleven hundred**

12 **seven of this chapter is the same as the hot or prepared food items**

13 **exemption in paragraph one-a of subdivision (a) of section eleven**

14 **hundred fifteen of this chapter.**

15 § 4. Subdivision (d) of section 1210 of the tax law, as amended by

16 section 4 of part WW of chapter 60 of the laws of 2016, is amended to

17 read as follows:

18 (d) A local law, ordinance or resolution imposing any tax pursuant to

19 this section, increasing or decreasing the rate of such tax, repealing

20 or suspending such tax, exempting from such tax the energy sources and

21 services described in paragraph three of subdivision (a) or of subdivi-

22 sion (b) of this section or changing the rate of tax imposed on such

23 energy sources and services or providing for the credit or refund

24 described in clause six of subdivision (a) of section eleven hundred

25 nineteen of this chapter, or electing or repealing the exemption for

26 residential solar equipment and electricity in subdivision (ee) of

27 section eleven hundred fifteen of this article, or the exemption for

28 commercial solar equipment and electricity in subdivision (ii) of

29 section eleven hundred fifteen of this article, or electing or repealing

30 the exemption for commercial fuel cell electricity generating systems

31 equipment and electricity generated by such equipment in subdivision

32 (kk) of section eleven hundred fifteen of this article must go into

33 effect only on one of the following dates: March first, June first,

34 September first or December first; provided, that a local law, ordinance

35 or resolution providing for the exemption described in paragraph thirty

36 of subdivision (a) of section eleven hundred fifteen of this chapter or

37 repealing any such exemption or a local law, ordinance or resolution

38 providing for a refund or credit described in subdivision (d) of section

39 eleven hundred nineteen of this chapter or repealing such provision so

40 provided must go into effect only on March first**; provided, further,**

41 **that a local law, ordinance or resolution providing for the exemption**

42 **described in paragraph one-a of subdivision (a) of section eleven**

43 **hundred fifteen of this chapter or repealing any such exemption so**

44 **provided and a resolution enacted pursuant to the authority of subdivi-**

45 **sion (t) of this section providing such exemption or repealing such**

46 **exemption so provided may go into effect immediately**. No such local law,

47 ordinance or resolution shall be effective unless a certified copy of

48 such law, ordinance or resolution is mailed by registered or certified

49 mail to the commissioner at the commissioner's office in Albany at least

50 ninety days prior to the date it is to become effective. However, the

51 commissioner may waive and reduce such ninety-day minimum notice

52 requirement to a mailing of such certified copy by registered or certi-

53 fied mail within a period of not less than thirty days prior to such

54 effective date if the commissioner deems such action to be consistent

55 with the commissioner's duties under section twelve hundred fifty of

56 this article and the commissioner acts by resolution. Where the

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1 restriction provided for in section twelve hundred twenty-three of this

2 article as to the effective date of a tax and the notice requirement

3 provided for therein are applicable and have not been waived, the

4 restriction and notice requirement in section twelve hundred twenty-

5 three of this article shall also apply.

6 § 5. Section 1210 of the tax law is amended by adding a new subdivi-

7 sion (t) to read as follows:

8 **(t) Notwithstanding any other provision of state or local law, ordi-**

9 **nance or resolution to the contrary: (1) Any city having a population of**

10 **one million or more in which the taxes imposed by section eleven hundred**

11 **seven of this chapter are in effect, acting through its local legisla-**

12 **tive body, is hereby authorized and empowered to elect to provide the**

13 **exemption from such taxes for the same hot or prepared food items exempt**

14 **from state sales and compensating use taxes described in paragraph one-a**

15 **of subdivision (a) of section eleven hundred fifteen of this chapter by**

16 **enacting a resolution in the form set forth in paragraph two of this**

17 **subdivision; whereupon, upon compliance with the provisions of subdivi-**

18 **sions (d) and (e) of this section, such enactment of such resolution**

19 **shall be deemed to be an amendment to such section eleven hundred seven**

20 **and such section eleven hundred seven shall be deemed to incorporate**

21 **such exemption as if it had been duly enacted by the state legislature**

22 **and approved by the governor.**

23 **(2) Form of resolution: Be it enacted by the (insert proper title of**

24 **local legislative body) as follows:**

25 **Section one. Receipts from sales of and consideration given or**

26 **contracted to be given for purchases of hot or prepared food items**

27 **exempt from state sales and compensating use taxes pursuant to paragraph**

28 **one-a of subdivision (a) of section eleven hundred fifteen of this chap-**

29 **ter shall also be exempt from sales and compensating use taxes imposed**

30 **in this jurisdiction.**

31 **Section two. This resolution shall take effect, (insert the date) and**

32 **shall apply to sales made and uses occurring on and after that date**

33 **although made or occurring under a prior contract.**

34 § 6. The commissioner of taxation and finance is hereby authorized to

35 implement the provisions of this act with respect to the elimination of

36 the imposition of sales tax, additional taxes, and supplemental taxes on

37 hot and prepared food items and all other taxes so addressed by this

38 act.

39 § 7. This act shall take effect on the first day of the sales tax

40 quarterly period, as described in subdivision (b) of section 1136 of the

41 tax law, beginning at least 90 days after the date this act shall have

42 become a law and shall apply in accordance with the applicable transi-

43 tional provisions of sections 1106 and 1217 of the tax law and shall

44 expire and be deemed repealed two years after such date.

45 § 2. Severability. If any clause, sentence, paragraph, section or part

46 of this act shall be adjudged by any court of competent jurisdiction to

47 be invalid and after exhaustion of all further judicial review, the

48 judgment shall not affect, impair, or invalidate the remainder thereof,

49 but shall be confined in its operation to the clause, sentence, para-

50 graph, section or part of this act directly involved in the controversy

51 in which the judgment shall have been rendered.

52 § 3. This act shall take effect immediately provided, however, that

53 the applicable effective date of Parts A through D of this act shall be

54 as specifically set forth in the last section of such Parts.