



Legislation Text

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Int. No. 221

By Council Members Weprin, DeBlasio, Diaz, Felder and Jennings (by request of the Mayor)

A Local Law to amend the administrative code of the city of New York, in relation to increasing the rate of tax on cigarettes.

Be it enacted by the Council as follows:

Section 1. Paragraph 3 of subdivision a of section 11-1302 of the administrative code of the city of New York, as amended by chapter 29 of the laws of 1985, is amended to read as follows:

3. It is intended that the ultimate incidence of and liability for the tax shall be upon the consumer, and that any agent, distributor or dealer who shall pay the tax to the commissioner of finance shall collect the tax from the purchaser or consumer. Such tax shall be at the rate of [four] seventy-five cents for each ten cigarettes or fraction thereof, provided, however, that if a package of cigarettes contains more than twenty cigarettes, the rate of tax on the cigarettes in such package in excess of twenty shall be [two] thirty-eight cents for each five cigarettes or fraction thereof. Such tax shall be imposed only once on the same package of cigarettes.

§ 2. Section 11-1318 of the administrative code of the city of New York is amended to read as follows:

§ 11-1318 Disposition of revenues. All revenues resulting from the imposition of the tax under this chapter shall be paid into the treasury of the city and shall be credited to and deposited in the general fund of the city, except that, after the payment of refunds with respect to such tax (but before the payment of any bounty by such city pursuant to section 11-1308 of the code), effective on and after July second, two thousand two, forty-six and one-half percent and, effective on and after April first, two thousand three, forty-six percent

of such revenues (including taxes, interest and penalties) collected or received shall be paid to the state comptroller.

§ 3. Notwithstanding any other provision of law to the contrary, the tax due on cigarettes possessed in the city of New York, as of the close of business on July 1, 2002, by any person for sale solely attributable to the increase imposed by this local law, may be paid in two installments, due on the twentieth days of September, 2002 and January, 2003, subject to such terms and conditions as the department of finance may prescribe; provided, however, no less than 25 percent of each such tax due shall be paid by September 20, 2002.

§ 4. This local law shall take effect July 2, 2002.