
STATE OF NEW YORK

10896

IN ASSEMBLY

April 16, 2004

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Morelle, Cook, Galef, Grodenchik, Koon, Seddio, Gianaris, DelMonte, Colton, Gordon, Gromack, Hikind, Lafayette, Magee, Pheffer, J. Rivera, Tonko, Wright) -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to a tax exemption on remanufactured products

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

1 Section 1. Subdivision (a) of section 1115 of the tax law is amended
2 by adding a new paragraph 41 to read as follows:

3 (41) Remanufactured products. As used in this paragraph, "remanufactured"
4 means any commodity that has been restored to its original
5 performance standards or function and is thereby diverted from the solid
6 waste stream, retaining, to the extent practicable, components that have
7 been through at least one life cycle and replacing consumable or normal
8 wear components.

9 § 2. This act shall take effect immediately.

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

LBD17586-01-4

NEW YORK STATE ASSEMBLY
MEMORANDUM IN SUPPORT OF LEGISLATION
submitted in accordance with Assembly Rule III, Sec 1(e)

BILL NUMBER: A10896

SPONSOR: Rules (Morelle)

TITLE OF BILL: An act to amend the tax law, in relation to a tax exemption on remanufactured products

PURPOSE OR GENERAL IDEA OF BILL:

The purpose of this legislation is to exempt remanufactured products, which is required by law, from sales and compensating use taxes.

SUMMARY OF SPECIFIC PROVISIONS:

This bill would add a new paragraph 41 to subdivision (a) of section 1115 of the tax law to exempt remanufactured products from sales and compensating use taxes. As defined, remanufactured products would mean any commodity that has been restored to its original performance standards or function and is thereby diverted from the solid waste stream, retaining, to the extent practicable, components that have been through at least one life cycle and replacing consumable or normal wear components.

JUSTIFICATION:

New York state's remanufacturing industry, which is composed of a wide array of businesses, many of which are small businesses, is a vital sector of the economy, employing thousands of people while diverting thousands of tons of waste from entering our landfills. Exempting remanufactured products from sales and use taxes will encourage the use of these environmentally-friendly products in New York State, as remanufactured products are the highest form of recycling.

PRIOR LEGISLATIVE HISTORY:

New legislation.

FISCAL IMPLICATIONS:

To be determined.

EFFECTIVE DATE:

Immediately.