



NEW YORK STATE SENATOR

Michael F. Nozzolio

Senator Nozzolio Announces Hearing on Indian Cigarette Taxes

MICHAEL F. NOZZOLIO September 23, 2009

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State Senator Mike Nozzolio today announced that the Senate Committee on Investigations and Government Operations will hold a public hearing to look into Governor Paterson's refusal to comply with the law enacted last year taxing cigarettes sold by Native Americans. The hearing is open to the general public and has been scheduled for October 27, 2009. The exact time and location for the hearing will be announced shortly.

"Failing to collect sales taxes from Indian retailers will cost New York State over \$65 million in revenue at a time when it is needed more than ever," said Senator Nozzolio. "New York's hardworking taxpayers and business owners have a right to know why the Governor still refuses to enforce the law and collect this much-needed revenue. This public hearing is the next logical step in demanding the long-overdue collection of these sales

taxes.”

Last year, Senator Nozzolio sponsored legislation that was signed into law by the Governor requiring that sales and excise taxes must be collected from Native American businesses that sell products to the general public. Recently, the Tax Department quietly released an update on the budget indicating that it will not attempt to collect the revenue from these taxes this year. The decision to abandon this revenue was made with no public notice, hidden in a 329-page document on first quarter budget spending.

Senator Nozzolio has also addressed a letter to Governor Paterson demanding that he enforce the law and collect sales taxes equally from all retailers.

“The New York State Budget already faces a deficit of nearly \$2.1 billion after hitting families and businesses with over \$8.5 billion in tax and fee hikes. It is outrageous that the Division of the Budget is considering even more taxes to close the deficit while the Tax Department chooses to ignore the revenue that could be generated by upholding the law and enforcing tax equality for our small local retailers,” said Senator Nozzolio. “This public hearing will ensure that Governor Paterson does not abandon this badly-needed revenue with no transparency or oversight. New York State simply can’t afford to give up on this issue.” For more information on the hearing, please contact Senator Nozzolio's office at 1-888-568-9816.

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