



NEW YORK STATE SENATOR

John A. DeFrancisco

Senate Passes Bill Limiting Time to Collect State Tax Liabilities to 20 Years

JOHN A. DEFRANCISCO June 14, 2011

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Senator John A. DeFrancisco (R-I-C Syracuse) announced that the New York State Senate today passed his bill (S3946) that would require the New York State Department of Taxation and Finance to collect an unpaid tax debt within 20 years of its issuance, or the tax liability would expire.

The current law provides no time frame in which the tax liability must be collected, resulting in manpower being wasted on old record maintenance and on attempts at unlikely collection of debt.

“Because successful debt collection usually occurs quickly, it makes sense to deploy as many resources as possible to the collection of the newest tax warrants. Currently resources are wasted on attempting to collect old debt, where the collection success rate is very low,” said Senator DeFrancisco.

Additionally, the Tax Department would be able to be run more efficiently by shifting resources and manpower to other more productive uses of time.

“At a time when resources are scarce, all government agencies need to find ways to operate more efficiently,” said Senator DeFrancisco.

The bill has been sent to the Assembly and is awaiting approval by that body.