

DRAFT LBDC

A BUDGET BILL submitted by the Governor  
in accordance with Article VII of the Constitution

AN ACT to amend the tax law, in relation to further clarifying  
disclosure procedures regarding medical marihuana

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

1     Section 1.     Subdivision 1 of section 491 of the tax law, as added by  
2     chapter 90 of the laws of 2014, is amended to read as follows:

3     1. Except in accordance with proper judicial order or as in this  
4     section or otherwise provided by law, it shall be unlawful for the  
5     commissioner, any officer or employee of the department, or any officer  
6     or person who, pursuant to this section, is permitted to inspect any  
7     return or report or to whom a copy, an abstract or a portion of any  
8     return or report is furnished, or to whom any information contained in  
9     any return or report is furnished, or any person engaged or retained by  
10    such department on an independent contract basis or any person who in  
11    any manner may acquire knowledge of the contents of a return or report  
12    filed pursuant to this article to divulge or make known in any manner  
13    the contents or any other information relating to the business of a  
14    distributor, owner or other person contained in any return or report  
15    required under this article. The officers charged with the custody of  
16    such returns or reports shall not be required to produce any of them or  
17    evidence of anything contained in them in any action or proceeding in  
18    any court, except on behalf of the state, the state department of  
19    health, or the commissioner in an action or proceeding under the  
20    provisions of this chapter or on behalf of the state or the commissioner  
21    in any other action or proceeding involving the collection of a tax due

1 under this chapter to which the state or the commissioner is a party or  
2 a claimant or on behalf of any party to any action or proceeding under  
3 the provisions of this article, when the returns or the reports or the  
4 facts shown thereby are directly involved in such action or proceeding,  
5 or in an action or proceeding relating to the regulation or taxation of  
6 medical marihuana on behalf of officers to whom information shall have  
7 been supplied as provided in subdivision two of this section, in any of  
8 which events the court may require the production of, and may admit in  
9 evidence so much of said returns or reports or of the facts shown there-  
10 by as are pertinent to the action or proceeding and no more. Nothing  
11 herein shall be construed to prohibit the commissioner, in his or her  
12 discretion, from allowing the inspection or delivery of a certified copy  
13 of any return or report filed under this article or of any information  
14 contained in any such return or report by or to a duly authorized offi-  
15 cer or employee of the state department of health; or by or to the  
16 attorney general or other legal representatives of the state when an  
17 action shall have been recommended or commenced pursuant to this chapter  
18 in which such returns or reports or the facts shown thereby are directly  
19 involved; or the inspection of the returns or reports required under  
20 this article by the comptroller or duly designated officer or employee  
21 of the state department of audit and control, for purposes of the audit  
22 of a refund of any tax paid by a registered organization or other person  
23 under this article; nor to prohibit the delivery to a registered organ-  
24 ization, or a duly authorized representative of such registered organ-  
25 ization, a certified copy of any return or report filed by such regis-  
26 tered organization pursuant to this article, nor to prohibit the  
27 publication of statistics so classified as to prevent the identification  
28 of particular returns or reports and the items thereof. This section

1 shall also not be construed to prohibit the disclosure, for tax adminis-  
2 tration purposes, to the division of the budget and the office of the  
3 state comptroller, of information aggregated from the returns filed by  
4 all the registered organizations making sales of, or manufacturing,  
5 medical marihuana in a specified county, whether the number of such  
6 registered organizations is one or more. Provided further that, notwith-  
7 standing the provisions of this subdivision, the commissioner may, in  
8 his or her discretion, permit the proper officer of any county entitled  
9 to receive an allocation, following appropriation by the legislature,  
10 pursuant to this article and section eighty-nine-h of the state finance  
11 law, or the authorized representative of such officer, to inspect any  
12 return filed under this article, or may furnish to such officer or the  
13 officer's authorized representative an abstract of any such return or  
14 supply such officer or such representative with information concerning  
15 an item contained in any such return, or disclosed by any investigation  
16 of tax liability under this article.

17 § 2. This act shall take effect immediately; provided, however, that  
18 the amendments to subdivision 1 of section 491 of the tax law made by  
19 section one of this act shall be deemed to have been in full force and  
20 effect on and after January 1, 2016, and shall not affect the repeal of  
21 such section and shall be deemed to be repealed therewith.