Overview

- 2015 Enforcement Legislation Updates
- Sales Tax Initiatives
- DMV License Suspension
- Offers in Compromise Program
- Coming soon: New Payment Pages
2015 Enforcement Legislation Updates

- **Real Property Taxes**
  - Recoup Improperly Granted Basic STAR Exemptions
  - STAR Offset program was not extended

- **Personal Income Taxes**
  - Warrantless Wage Garnishment Extension
    - Two year extension of program, which began in Oct. 2013
    - Total revenue collected under program exceeds $76 million
DTF Has Authority to Refuse to Issue a CoA to an applicant when:

- The applicant (the “business”) owes any delinquent taxes from any source
- Any person required to collect tax on behalf of the business (a “responsible person”) owes any delinquent sales tax
- The business has been convicted of a tax crime within the last year
- A responsible person has been convicted of a tax crime within the last year
- A 50+% shareholder of a corporation applicant previously owned 50+% of the shares of another corporation when the previously owned corporation: (i) owes any delinquent taxes from any source or (ii) has been convicted of a tax crime within the last year, or
- The business has had a previous CoA revoked or suspended within the last year.

Sales Tax Initiatives

DTF Has Authority to Revoke or Suspend a CoA when:

- The business willfully fails to file a required sales tax report or return
- The business willfully files a false sales tax report or return
- The business willfully fails to comply with bonding or segregated account requirements
- The business willfully fails to collect or remit sales tax
- The business has been convicted of a tax crime within the last year

Sales Tax Initiatives

- Revised DTF-17
  - Requires applicants to provide information re: ownership, projected activities and responsible persons
  - Responsible persons must provide information re: business and personal integrity and fiscal responsibility

- Information from DTF-17 being used to better educate and support vendors
Sales Tax Initiatives

New COA-Related Initiatives:

- New Vendor Visits
- COA Enforcement Initiative with DTF’s Criminal Investigations Division for unregistered vendors
- Operating without a COA Penalty Assessments
- Segregated Account Mandate
DMV License Suspension

Tax Law § 171-v:

- Allows DTF and DMV to cooperate in a program to improve tax collection through the suspension of drivers' licenses of taxpayers with past-due tax liabilities (fixed and final with no further right to administrative or judicial review) equal to or in excess of ten thousand dollars.

- The term "tax liabilities" means any tax, surcharge, or fee administered by the commissioner, or any penalty or interest due on these amounts owed by an individual with a New York driver's license, except for a commercial driver's license.
DMV License Suspension

To avoid suspension, a taxpayer must do one of the following:

- Satisfy the past-due tax liabilities.
- Enter into an installment payment agreement (IPA) with the Tax Department to satisfy the past-due tax liabilities. If a taxpayer fails to comply with the terms of the IPA more than once in a twelve-month period, the department may immediately notify DMV to suspend the driver’s license of the taxpayer.
- Provide the Tax Department with proof that:
  - the individual to whom the statement was sent is not the taxpayer at issue;
  - the taxpayer’s wages are being garnished by the Department for the payment of past-due tax liabilities, past-due child support, or combined child and spousal support arrears;
  - the taxpayer is seeking relief from joint and several liability under section 654 of the Tax Law (innocent spouse relief);
  - or the past-due tax liabilities have been stayed by the filing of a petition under the Bankruptcy Code (Title 11 of the United States Code).
The program began in July 2013 and has been immensely successful:

- Approximately 56,800 individuals have been notified that their licenses were at risk of being suspended due to their tax liabilities. Of those taxpayers, over 25,500 have paid in full or are in the process or resolving their debt.
- Approximately 18,700 have had their licenses suspended, and the remainder were determined to be ineligible for suspension.
- Tax collections attributed to the program have exceeded revenue projections and total over $278 million over the life of the program.
The Offers in Compromise Program (OIC) now resides within the Civil Enforcement Division.

OIC provides a mechanism for taxpayers who are bankrupt, insolvent, or would suffer undue economic hardship if they had to pay in full their outstanding tax liabilities.

Volume in OIC has grown tremendously as a result of DMV Suspension Program.
Offers in Compromise Program

- Changes to OIC include:
  - Application is not complete and case remains in collections until all required documentation is provided.
  - New forms and new Publication 220 under review.
  - Applications seeking to compromise trust taxes and tax liabilities of in-business businesses will be closely reviewed for consistency with statutory criteria for OIC.

- Review application for accuracy and completeness.
- Make your best offer.
More Offers in Compromise Accepted

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<thead>
<tr>
<th>Fiscal Year Ending</th>
<th>Cases Accepted</th>
<th>% Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>275</td>
<td>26%</td>
</tr>
<tr>
<td>2009</td>
<td>214</td>
<td>25%</td>
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<tr>
<td>2010</td>
<td>249</td>
<td>29%</td>
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<tr>
<td>2011</td>
<td>460</td>
<td>46%</td>
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<tr>
<td>2012</td>
<td>698</td>
<td>58%</td>
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<tr>
<td>2013</td>
<td>811</td>
<td>63%</td>
</tr>
<tr>
<td>2014</td>
<td>1440</td>
<td>69%</td>
</tr>
<tr>
<td>2015</td>
<td>1389</td>
<td>69%</td>
</tr>
</tbody>
</table>

Please note that this chart takes into consideration acceptances, denials and cases that have been withdrawn, when computing the acceptance rate for OIC’s.
New Payment Pages

- Available January 2016

- Taxpayers can target their payment to a specific liability, including:
  - installment payment agreement
  - income execution
  - new bill
  - collection case
  - audit case
Our records indicate there are no outstanding tax liabilities associated with this account.

If you disagree, please contact us.
You have too many outstanding liabilities to pay for them online. Please contact us.
What You Need To Pay

Make a Payment

Taxpayer ID: XXX-XX-6789  Taxpayer name: Tom Smith

What you need to pay

Review and complete the following information, then select Calculate. When complete, select Continue & Pay. If you do not pay the total amount, we may continue collection activities on unpaid balances for bills, audit cases and collection cases.

To make a personal income tax estimated, extension, or return payment, select Make a Different Payment

Note

You have too many outstanding liabilities to pay for them online. Please contact us.

Select payments you would like to make

<table>
<thead>
<tr>
<th>Pay</th>
<th>Payment type</th>
<th>Document ID</th>
<th>Total liability ($)</th>
<th>Amount due ($)</th>
<th>Payment amount($)</th>
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</thead>
<tbody>
<tr>
<td>✔</td>
<td>Installment payment agreement</td>
<td>E 12514589-D001 2</td>
<td>10,000.00</td>
<td>200.00</td>
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<tr>
<td></td>
<td>Installment payment agreement</td>
<td>E 12514589-D001 2</td>
<td>10,000.00</td>
<td>200.00</td>
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<tr>
<td>✔</td>
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<td>10,000.00</td>
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<td>200.00</td>
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</table>
Select Your Payment Method

Make a Payment
Taxpayer ID: XXX-XX-6789  Taxpayer name: Tom Smith

Select Your Payment Method
Select your payment method below.

Pay from bank account
By selecting Pay from Bank Account, the amount due will be paid with a direct debit from a checking or savings account. Please note, we will only debit the account for the amount authorized in this transaction. Monitor the bank account to verify that the payment is successful.

Pay from Bank Account

Pay by credit card or debit card
By selecting Pay by Card, the cardholder can pay the amount due by MasterCard, Visa, American Express or Discover Card. There is a convenience fee charged by the card service provider to cover the cost of providing this service. No part of the convenience fee goes to New York State. The tax payment and convenience fee will appear as two separate charges on the credit card statement.

Convenience fee ($): 6.75

Pay by Card

Back