



NEW YORK STATE SENATOR

John J. Flanagan

Senator Flanagan Making Residents Aware Of State Tax Program

JOHN J. FLANAGAN January 11, 2010

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Senator John Flanagan (2nd Senate District) recently received information from the New York State Department of Taxation and Finance (NYSDTF) about a new program designed to help those with delinquent tax burdens to pay off their debt. The 2010 PAID (Penalty and Interest Discount Program for tax liabilities) program will provide taxpayers who are behind in their tax bills with a brief opportunity to take advantage of substantial reductions in the penalties and interest that have accrued over time.

The program begins on January 15, 2010 and eligible taxpayers must make all payments by the expiration date of March 15, 2010. While this program reduces the penalties and interest accrued, the original tax assessment must be paid in full.

The Division of the Budget has estimated that New York State will receive \$250 million in unanticipated revenues this year as a result of this initiative.

According to the NYSDTF, PAID will reduce the penalty and interest accrued on unpaid tax bills based on the date when the taxes were imposed. For tax bills that were issued on or before December 31, 2003, the reduction will be 80%. The reduction will be 50% for those with those individual taxpayers who have penalties and interest on unpaid tax bills that were issued after December 31, 2003, but before December 31, 2006.

Tax bills that were issued after December 31, 2006, are not eligible nor are any unassessed liabilities or bills that may result from matters currently under audit.

The NYSDTF has stated that they will be mailing letters to taxpayers who qualify for PAID but warns that some who may be eligible may not get a letter of invitation because they have not informed the Department of changes of address. While the department has stated they will take additional steps to contact taxpayers, the Department will not be able to reach every eligible taxpayer through the mail.

To assist all New York residents in taking advantage of this important state tax program, the NYSDTF has posted information on their web site and has issued a guide that can both be accessed by [clicking here](#).

Taxpayers without web access are urged to call 518-457-1726 or 888-272-9697 for further information and instructions.

“Many people feel overwhelmed when they face a tax debt and this program is designed to help ease repayment of that debt,” stated Senator Flanagan. “In these tough economic times, providing our residents with an effective way to satisfy their outstanding tax burden is critical. Equally important is the fact that it will also bring much needed revenue to our state without increasing taxes on our residents.”