



NEW YORK STATE SENATOR

Brad Hoylman-Sigal

Senator Brad Hoylman Files New Legislation Allowing New York State to Cooperate with Congressional Investigations into Tax Returns

BRAD HOYLMAN-SIGAL April 8, 2019



New bill authorizes the New York Department of Taxation and Finance to share state tax information with a requesting Congressional committee

Has support from House Judiciary Chairman Jerrold Nadler

NEW YORK-- Senator Brad Hoylman (D/WF-Manhattan) introduced legislation today ([S5072](#)) authorizing the New York State Department of Taxation and Finance to share tax return information with a requesting Congressional committee.

Federal law gives three Congressional tax committees the power to obtain, inspect, and disclose the otherwise confidential federal tax information of any taxpayer from the U.S. Department of Treasury. Under New York State tax law, sharing state tax return information is prohibited, except under certain delineated circumstances. Senator Hoylman's new bill would create a new exception to this rule and authorize the sharing of state tax returns with a requesting Congressional committee when the request is made in the furtherance of a legitimate legislative purpose.

Senator Brad Hoylman said: "This new bill will permit New York State to comply with requests from congressional investigative committees and help ensure Congress can't be blocked in their attempts to hold even the highest elected officials in the land accountable to the American people."

House Judiciary Chairman Jerrold Nadler said: "Congress is a co-equal branch of government. It is critical that to maintain trust in our government and uphold the rule of law, that we in Congress must be able to perform oversight over the executive branch. This legislation would make the work of a federal committee a little easier, if confronted with inability to receive the federal tax return, we can turn to New York State."

Last week, The House Ways and Means Committee requested copies of Donald Trump's tax returns under its authority pursuant to federal law. Already there have been indications that the administration will try to contravene law by fighting the release of the return. Hoylman's legislation would create a parallel track for a legitimate congressional inquiry to seek tax returns filed with the state of New York.

The legislation provides assurances against fishing expeditions by authorizing the Commissioner of the NYS Department of Taxation and Finance to furnish state tax return or return information upon written request of the chairperson of the U.S. House Ways & Means

Committee, the U.S. Senate Finance Committee, or the Joint Committee on Taxation. The Commissioner may only share such information if the written request certifies that (1) the returns or return information are being requested for a specified and legitimate legislative purpose, (2) the requesting committee has made a related request to the U.S. Treasury Department pursuant to federal law, and (3) the returns and/or return information will be treated consistent with federal law for the purposes of inspection and/or disclosure by the committee. As with existing exceptions to the general tax privacy law, the discretion to share the information ultimately rests with the Commissioner.

Attached are copies of the legislation, bill memorandum, and FAQs.

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