

REGULATORY IMPACT STATEMENT

DEPARTMENT OF TAXATION AND FINANCE

1. Statutory authority: General Business Law, section 372, Subdivision (b). Section 372 of the General Business Law, added by Chapter 432 of the Laws of 2008, requires the Department of Taxation and Finance (‘the Department’) to produce and make available a Consumer Bill of Rights Regarding Tax Preparers, in accordance with regulations promulgated by the Commissioner.

2. Legislative objectives: This rule is being proposed pursuant to this authority to comply with the directive of section 372 of the General Business Law relating to the production and dissemination of a Consumer Bill of Rights Regarding Tax Preparers.

3. Needs and benefits: These amendments comply with the directive of section 372 of the General Business Law, which requires the Department to produce and make available an informational flier called a Consumer Bill of Rights Regarding Tax Preparers, in accordance with regulations promulgated by the Commissioner. This rule reflects the provisions of section 372 in requiring that the flier is to contain basic information including, but not limited to, postings required by state or federal law, definitions of common services and terminology, basic information regarding tax preparers’ obligations to consumers, and contact information for the Department. The Department is required to make the publication available on its website and upon request, and to send a copy of the Consumer Bill of Rights Regarding Tax Preparers on or before October 15th of each year to any tax preparer who, to the Department’s knowledge, has been found to be in violation of section 372 within the previous calendar year.

This rule parallels section 372 in defining certain terms and requiring tax preparers to provide a complimentary copy of the flier to each customer. In accordance with section 372, the rule also enumerates those entities to which these requirements do not apply.

4. Costs:

(a) Costs to regulated persons: It is estimated that there would be no costs to regulated parties associated with implementation of this rule. There will, however, be minimal costs to regulated parties attributable to the requirements imposed by section 372 of the General Business Law: tax preparers will be required to make copies of the Consumer Bill of Rights Regarding Tax Preparers and provide a copy to each customer.

(b) Costs to the agency and to the State and local governments including this agency: It is estimated that the implementation and continued administration of this rule will not impose any costs upon this agency, New York State, or its local governments.

(c) Information and methodology: This analysis is based on a review of the rule, which describes the information to be included in the Consumer Bill of Rights Regarding Tax Preparers, which is directed by statute, and on discussions among personnel from the Department's Taxpayer Guidance Division, Office of Counsel, Office of Tax Policy Analysis, and Office of Budget and Management Analysis.

5. Local government mandates: This rule imposes no mandates upon any county, city, town, village, school district, fire district, or other special district.

6. Paperwork: While this rule imposes no new reporting requirements, forms, or other paperwork upon regulated parties, section 372 of the General Business Law requires tax preparers to make copies of the Consumer Bill of Rights Regarding Tax Preparers and provide a copy to each customer.

7. Duplication: There are no relevant rules or other legal requirements of the Federal or State governments that duplicate, overlap, or conflict with this rule.

8. Alternatives: There were no significant alternatives to this proposal considered by this agency.

9. Federal standards: The rule does not exceed any minimum standards of the Federal government for the same or similar subject area.

10. Compliance schedule: The amendment will take effect when the Notice of Adoption is published in the State Register. No time is needed in order for regulated parties to comply with this rule, as no requirements are imposed on regulated parties.