

REGULATORY FLEXIBILITY ANALYSIS
FOR SMALL BUSINESSES AND LOCAL GOVERNMENTS
DEPARTMENT OF TAXATION AND FINANCE

1. Effect of rule: The rule does not distinguish between different types and sizes of regulated parties because the law does not make any such distinctions. The effects of the rule for small businesses are described in paragraphs 3, 4, and 6 of the Regulatory Impact Statement. It is anticipated that local governments will experience increases in revenues associated with the implementation of and continued administration of the rule that are estimated to be \$2 million in the fiscal year ending 3/31/04, and \$7.5 million in the fiscal year ending 3/31/05.

2. Compliance requirements: See paragraphs 3, 4, and 6 of the Regulatory Impact Statement for compliance requirements to small businesses.

3. Professional services: No professional services are necessary in order to comply with the rule. Some small businesses may choose to utilize professional services in order to comply with the rule; however, it is likely that such businesses already utilize professionals to perform these types of services.

4. Compliance costs: See paragraph 4 of the Regulatory Impact Statement for compliance costs to small businesses. There are no compliance costs to local governments as a result of the rule.

5. Economic and Technological Feasibility: The rule does not impose any economic or technological compliance burdens on small businesses or local governments.

6. Minimizing adverse impact: The rule will benefit off-reservation retailers (e.g., convenience stores and gasoline stations) which are small businesses located near qualified reservations by creating a level playing field for sales to non-Indians. Local governments will experience no adverse impact as a result of this rule.

7. Small business and local government participation: The following organizations were notified that the Department was in the process of developing this rule: the Association of Towns of New York State; the Deputy

Secretary of State for Local Government and Community Services; the Division of Small Business of Empire State Development; the National Federation of Independent Businesses; the New York State Association of Counties; the New York Conference of Mayors; the Small Business Council of the New York State Business Council; and the Retail Council of New York State.