



## **MEMO IN SUPPORT**

### **Disclosure of Tax Returns for Elected Officials Representing All of New York State**

#### **[A.1390\(Buchwald\)/S.2271\(Hoylman\)](#)**

April 8, 2019

#### **TITLE OF BILL**

Requires the disclosure of tax returns by statewide elected public officials including the president of the United States.

#### **SUMMARY OF PROVISIONS**

Section 1 of the bill creates a new subsection (p) in section 697 of Part 6 of Article 22 of New York State Tax Law. It requires the New York State Department of Taxation and Finance to disclose in a statement on its website whether any elected officials representing all of New York State (including the President and Vice-President as applicable, the Governor, Attorney General, Comptroller, and U.S. Senators) have filed income taxes with the state for any of the previous 5 years. For each elected official representing the entire state and filing New York State taxes, the Department will disclose up to 13 essential data points on their return including adjusted gross income (AGI), taxable income, deductions, taxes paid and taxes due, payments or credits, and penalties and interest. Copies of all of the tax filings will also be made available with redactions of private information like social security numbers, personal addresses and names of dependents. All postings will be made within 30 days of this bill becoming effective for incumbents, and thereafter 30 days after the president takes the oath of office. The postings will remain online until the impacted elected officials leave office.

Subsection p(2) bill mirrors subsection (p) and allows for posting an updated statement by the Commissioner and the posting of new tax returns of the elected officials representing the state annually on May 15th following the filing of new tax returns for

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the previous year. If an impacted elected official receives an extension in filing taxes, the information will be posted 30 days after the receipt by the Department of Taxation and Finance.

Subsection p(3) enables the Department to redact further information on tax returns prevented from disclosure under federal law and to describe the types of information being redacted and the reasons why disclosure would violate federal law.

Subsection p(4) defines “state income tax return” to include supplemental schedules and attachments that are part of the tax return.

Subsection p(5) is a severability clause should the law be invalidated in part by a court.

Section 2 of the bill establishes the bill will become effective immediately.

## **STATEMENT OF SUPPORT**

Reinvent Albany as a watchdog group advocates for transparency in government. We therefore support the disclosure of tax returns with redactions for privacy so the public is aware of the financial interests of elected officials that represent the people, and to make known any potential conflicts of interest.

Governor Cuomo in his Executive Budget for this fiscal year proposed making tax returns public for New York State statewide and state legislative elected officials and candidates. This bill does so for statewide officials only but adds federal officials representing the entire state including U.S. Senators and the President and Vice-President, should they file a New York State income tax return. Tax returns dating back five years before the official takes office are disclosed upon taking office, which we have supported.

[Reinvent Albany supports disclosure of tax returns officials representing the entire state](#) as this bill does, and for state candidates for those offices. We believe this bill strikes the right balance in disclosing personal financial information because officials representing the entire state have the most power and their outside income is most likely to cause conflicts of interest.

We believe this legislation could be enhanced by:

- 1) For non-federal candidates, point to or reference annual financial information, which includes assets in addition to income for public servants and their immediate family for the previous year, disclosed by candidates and officeholders

to the Joint Commission on Public Ethics (JCOPE). This will enhance disclosure and transparency.

- 2) require the statement disclosed by the Department of Tax and Finance include tax information in a machine readable and downloadable format to allow for third-party analyses.