



## MEMO OF SUPPORT

### [S2556 \(Hoylman-Sigal\) / A1523 \(Carroll\)](#)

*Ends private jet tax break*

March 20, 2024

#### **TITLE OF BILL**

An act to amend the tax law, in relation to the imposition of sales and compensating use taxes with respect to certain aircraft; and to repeal paragraph 21-a of subdivision (a) of section 1115 of the tax law, relating thereto.

#### **SUMMARY OF PROVISIONS**

Section 1 amends Tax Law §1111(1)(a) to restore language regarding tax receipts to aircraft that carry less than 20 passengers and 6,000 pounds. Section 2 does the same to Tax Law §1111(q). Section 3 repeals the exemption for private aircraft in Tax Law §1115(a)(21-a).

Section 4 provides that the bill takes effect on June 1, 2023 (pending amendment).

#### **STATEMENT OF SUPPORT**

Reinvent Albany supports this legislation because people who can afford million-dollar private jets can afford to pay sales taxes.

In 2015, the state passed one of the most odious tax breaks in its history, which completely exempted the purchase of private jets from state sales taxes. In other words, an extremely wealthy New Yorker could purchase a [\\$2 million private jet](#) and pay zero sales taxes on it, starving the state of tax revenue that could be going to schools, clean water, and public transport. The tax break costs NYS roughly [\\$10 million a year](#).

Rather than providing tax breaks for the ultra-rich, NYS government should instead be focusing on how to better help [the more than 2 million people](#) living in poverty in New York State. We urge the Legislature to pass this bill, and the Governor to sign it.