

1984 Legislation

Penalties For Failure to Pay Over Sales Tax

Chapter 575 of the Laws of 1984, effective November 1, 1984, amends section 1145 of the Tax Law by adding a new subdivision (d).

New subdivision (d) provides that the civil penalties already imposed by section 1145 are not exclusive and do not preclude prosecution under the penal law, when any person required to collect sales tax pursuant to Articles 28 and 29 has collected such tax but has willfully failed to pay it over to New York State.

As a result of this enactment, if convicted, sales tax evaders could be subject to a prison term of up to seven years and a fine of \$5,000.00 or twice the amount of the tax evaded, whichever is higher.