



Enforce the Law - Collect the Tax Coalition

For Immediate Release:

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**THE COUNTDOWN IS ON - 15 DAYS UNTIL SEPTEMBER 1ST
THE ENFORCE THE LAW- COLLECT THE TAX COALITION CALLS ON THE
PATERSON ADMINISTRATION TO BEGIN COLLECTION OF \$1 BILLION IN
REVENUES LOST THROUGH UNCOLLECTED CIGARETTE TAXES
*One-third of All Cigarettes Sold in NY – Were Sold Untaxed***

Syracuse, NY – August 16, 2010 The Enforce the Law - Collect the Tax Coalition is holding a press conference to call on the State to meet the September 1, 2010 mandate to collect the almost \$1 billion in revenue from uncollected excise taxes from cigarette sales on Native American reservations as required under provisions of the FY 2010-11 State Budget.

With the September 1st deadline fast approaching a bipartisan group of state and local officials and business leaders today gathered in Syracuse to renew the call to enforce the law and collect the tax. Senator David Valesky, Assemblyman Bill Magee, John Becker, Chairman of the Madison County Board of Supervisors, Chuck Lafler Chairman of Board of Supervisors in Seneca County and representatives of Cayuga and Onondaga counties.

Virtually alone among states, New York forfeits an estimated \$1 billion each year in uncollected taxes from cigarette sales to non-tribal members on Native American reservations. According to projections by the Enforce the Law - Collect the Tax Coalition's tax loss calculator almost \$621 million in revenues have already gone uncollected thus far in 2010. The coalition's tax loss calculator is based on a report by the New York Association of Convenience Stores, <http://www.nyacs.taxstudy>, which indicates that New York State loses \$1,900 every minute that the law is not enforced and the tax is not collected.

These lost revenues will likely grow, as midway through 2010 almost one third of all cigarettes sold in New York were sold untaxed and unstamped through about 200 tribal reservation sellers. That's on pace to reach a staggering 200 million packs by the end of the year, or about the same as the volume of cigarettes sold in the entire Commonwealth of Massachusetts.

Senator David Valesky (D-Oneida) said, "I have been strongly urging the Governor to enforce the law since it was signed. The law unequivocally states that sales tax should be collected, and I will continue to be a vocal advocate for upholding the law. I am committed to correcting the State's failure to collect this revenue, especially in these difficult economic times when it is direly needed."

Assemblyman Bill Magee said, "The clock is ticking – it's time that we end decades of lawlessness by enforcing the law and collecting the tax. New Yorker's literally can't afford to wait another day."

John Becker, Chairman of the Madison County Board of Supervisors, joined in encouraging the Governor to follow through on his commitment to collect taxes on tribal sales of tobacco and other products. "For many years a wide array of public and private interests has urged New York's last three Governors to implement measures to collect these taxes for the benefit of the State and local governments and to satisfy crushing needs for this legitimate revenue. From Long Island and New York City, to the Canadian border, and to the Niagara frontier, the message has been consistent and urgent."

James Calvin, President of the New York Association of Convenience Stores said, "By quintupling the excise tax on cigarettes in the span of eight years without closing off well-established channels for dodging that tax, New York State government incited today's all-out epidemic of tax evasion." He added, "The time to act is now. The September 1st deadline can't come fast enough as the enormous and unfair price advantage that the State has granted to these 200 Native American outlets is decimating business for the thousands of law-abiding in New York who sell tax-paid and tax-stamped cigarettes."

Individuals and organizations that want to join the coalition and support efforts to Enforce the Law and Collect the Tax should go to www.collectthetaxny.com and sign up.

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