

Amnesty/Administrative: New York Appellate Court Holds Tax Bill Posted on Department of Taxation Website Serves as Contestable Notice

Case No. 534496, N.Y. App. Div., 3d Dep't (8/22/24). The New York Supreme Court, Appellate Division, Third Department (Court) ruled that the New York Division of Tax Appeals (Division) had subject matter jurisdiction to address the question of whether partial payments by the taxpayer of a sales and use tax assessment should be credited to tax owed (and not to interest), and whether the failure by the New York State Department of Taxation and Finance (Department) to do so resulted in the improper accrual of additional interest on the amount owed.

URL: <https://decisions.courts.state.ny.us/ad3/Decisions/2024/534496.pdf>

In reversing the New York State Tax Appeals Tribunal's dismissal of this case, the Court held that the use by the Department of its website to convey information to taxpayers and to direct the taxpayer in this case to the Department's website to view its "balance due" caused the website to qualify as a contestable "statutory notice" for purposes of Tax Law § 2008. The Court also noted that the remedy suggested by the Department – that is, that the taxpayer pay in full and then apply for a refund – "does not provide due process to a taxpayer for whom immediate payment in full is not a viable option." A dissenting opinion follows. Please contact us with any questions.

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