



Department of Taxation and Finance

AMANDA HILLER
Acting Commissioner

April 12, 2022

The Honorable Kathy Hochul
Governor of New York State
NYS Capitol Building
Albany, NY 12224

Dear Governor Hochul:

Enclosed is the Department's status report on the implementation of recommendations contained in the Office of the State Comptroller's audit report entitled: "Sales Tax Vendor Registration Practices," Report 2020-S-40 dated October 2021.

Sincerely,

A handwritten signature in blue ink, appearing to read "A Hiller", written over a faint blue grid background.

Amanda Hiller

Enclosure

cc: Comptroller DiNapoli
Senate President Benjamin
Senate President Pro Tem Stewart-Cousins
Senate Minority Leader Ort
Assembly Speaker Heastie
Assembly Majority Leader People-Stokes
Assembly Minority Leader Barclay
Senate Finance Committee Chair Krueger
Ways and Means Committee Chair Weinstein
Senate Ranking Member O'Mara
Assembly Ranking Member Ra

Department of Taxation and Finance
Status of the Office of the State Comptroller's
Recommendations Contained in the Final Audit Report on
Sales Tax Vendor Registration Practices

April 12, 2022

Recommendation:

Improve inter-Department communication and follow-up measures to:

- Identify and address unauthorized sales activity among vendors for whom the Department denied a COA.
- Provide better assurance that unregistered vendors that are notified of the conditions requiring them to register as sales tax vendors have done so when necessary.

Department Response:

The Department created a multi-division work group to review these recommendations in response to the original audit report. That work group is finalizing development of a reporting solution that will enable information about unregistered vendors to be identified and shared among various areas of the department. That report is expected to be completed by May 15, 2022.