

RULE REVIEW

Department of Taxation and Finance Rule Continued Without Modification

Pursuant to section 207.4 of the State Administrative Procedure Act, the Department of Taxation and Finance hereby gives notice of the following:

As part of the Department's 2011 review of rules that were adopted during 2001 and 2006, it has reviewed amendments to 20 NYCRR 528.12 (The flags of the United States of America and the State of New York) of the Sales and Use Taxes Regulations that were adopted in 2001. This rule was amended to update the definition of the term "flag" and, accordingly, to exempt from State and local sales and use taxes flags that are made from materials in addition to cloth and those accessories that are used solely for the display of the flag and are sold with the flag for a single charge. The statutory authority for this rule is contained in sections 171, subdivision First; 1142(1) and (8); and 1250 (not subdivided) of the Tax Law.

This rule was previously reviewed as part of the Department's 2006 Rule Review published in the *State Register* on January 4, 2006, and was continued without modification. Notice of the 2006 continuation was published in the Rule Review section of the April 26, 2006, issue of the *State Register*.

The rule is once again being continued without modification because there have been no statutory amendments or changes in policy to warrant any modification of the rule.

A summary of the rule was published in the Rule Review section of the January 5, 2011, issue of the *State Register*. The 2011 Rule Review, including the summary, was also posted to the Department's website (<http://www.tax.ny.gov/rulemaker/regulations/fiveyearrev.htm>) on December 30, 2010. The Department did not receive any public comments regarding this rule.

For further information contact: John W. Bartlett, Department of Taxation and Finance, Taxpayer Guidance Division, Bldg. 9, W A Harriman Campus, Albany, NY 12227, (518) 457-2254