



New York's Tax Check-Off Funds: Good Intentions on Hold

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Executive Summary

Tax “check-off” programs provide a means for taxpayers to make voluntary contributions for various causes as part of their federal and State income tax filings simply by marking an appropriate box on their tax forms. New York currently offers eight tax check-off options. The first tax check-off program in New York State, created by an act of the Legislature in 1982, was the “Return a Gift to Wildlife” program. It allows taxpayers to make a voluntary donation to the State’s Conservation Fund, administered by the Department of Environmental Conservation, for fish and wildlife-related purposes. For more than a decade, this program was the only State tax check-off available to New Yorkers.

In 1995, a second check-off was created to support the maintenance and operation of the Lake Placid Olympic Training Center. In subsequent years, additional tax check-offs followed for breast cancer research and education, missing and exploited children, Alzheimer’s disease support services, prostate cancer research, detection and education, the World Trade Center Memorial Fund, and the recruitment and retention of volunteer firefighting and volunteer emergency services workers.

Generally speaking, statutorily designated administering agencies are responsible for implementing the programs that the funds support, pursuant to appropriations and guiding statutes. Check-off contributions are collected and deposited into the State’s General Checking Account by the Department of Taxation and Finance. The Office of the State Comptroller accounts for these moneys in the related dedicated State funds, and publicly reports on the financial activity within each fund. The only exception to this procedure is the World Trade Center Memorial Fund, which is under the sole custody of the Department of Taxation and Finance.

This report provides highlights from a review of the history of check-off funds in New York, identifies the cumulative fund balances in each, and makes recommendations to improve the State’s eight programs. The report’s findings include the following:

- Over three decades, New Yorkers have contributed more than \$51 million in voluntary donations to the various tax check-off purposes authorized by law.¹ Despite the expansion of purposes for which tax check-off contributions can be made, the total amount contributed annually has remained within a relatively narrow range. The collective average annual contribution over the more than 30 years that check-offs have been in existence in New York is \$1.6 million, with annual contributions falling in the range of between \$1.5 million and \$2.0 million nearly 68 percent of the time.

¹ Office of Tax Policy Analysis, New York State Department of Taxation and Finance, 2012-2013 New York State Tax Collections, Statistical Summaries and Historical Tables, November 2013.

- The overall number of contributions has decreased fairly steadily since the first check-off program was created. The number of contributions for all programs peaked in the first full year of the Return a Gift to Wildlife Program at 344,732, and reached a low point in State Fiscal Year (SFY) 2012-13 at 134,665. This represents an overall decline in the number of contributions of 60.9 percent, despite the expansion from one to eight check-off programs.
- Funds are often not spent timely. An analysis of receipts and disbursements in the dedicated funds over the past ten years shows that expenditures have generally lagged overall revenues. With few exceptions, the accumulated balances have increased in each of these funds over the same time period, or the duration of the check-off program's existence, if shorter. In addition, the rate of spending from these dedicated funds has declined. Over the first five years of this time period, receipts totaled \$11.5 million, while expenditures totaled \$8.0 million, or nearly 70 percent of receipts. Over the past five years, receipts reached \$12 million, while expenditures dropped to \$5.1 million, representing 43 percent of receipts.
- More than \$14.6 million remained as accumulated balances in the dedicated check-off funds as of the end of SFY 2012-13, excluding the Conservation Fund and the World Trade Center Memorial Fund.² This cumulative total reflects contributions from taxpayers, General Fund transfers, dedicated fees and other revenues (such as distinctive license plate sales), other gifts and donations, and interest earnings. Nearly 89 percent of this total, or \$13 million, is being held in the State's three health-related check-off funds: 56.6 percent in the Breast Cancer Fund, 19.8 percent in the Prostate Cancer Fund, and 12.6 percent in the Alzheimer's Disease Fund.
- While the dedicated tax check-off funds are subject to the State's "blanket sweep" budget provisions, under which the Division of the Budget may redirect funds from a special revenue fund to the General Fund, no sweeps have been made from check-off funds to the General Fund to date.

Taxpayers have every right to expect that their check-off contributions are spent for their intended purposes in a timely manner by the administering agencies responsible for the disbursement of the funds in these dedicated accounts. The instructions that

² The accumulated balance reflects the close of SFY 2012-13 for the Olympic Training Center Fund, the Missing Children Fund, and the Volunteer Firefighting and EMS Fund, and the close of the 2012 calendar year for the Breast Cancer Fund, the Prostate Cancer Fund, and the Alzheimer's Disease Fund. Accumulated amounts in the Conservation Fund from the Return a Gift to Wildlife check-off are excluded from the \$14.6 million total because the Conservation Fund includes several other, more significant sources of funds, which contributed to an accumulated balance of \$37.6 million as of the end of the last fiscal year. The World Trade Center Memorial Fund data is also not included in the accumulated balance total because the Fund exists in the sole custody of the Department of Taxation and Finance, and thus the Fund's receipts and disbursement data are not included in the State's accounting system. According to reports from the Department to the Office of the State Comptroller, as of the end of SFY 2012-13, a balance of \$102,982 remained in the Fund.

accompany New York State Personal Income Tax returns clearly express the positive outcomes expected to be derived from contributions made through the check-offs.³

Program reforms are needed to ensure that funds in these dedicated accounts are committed to their intended purposes as expeditiously as possible. If they are not spent, administering agencies should provide the Executive, the Legislature and the public with an explanation as to the reason, and develop a remedial plan to ensure the timely and effective use of the funds. In addition, standardized policies and procedures should be developed to govern the disbursement of dedicated check-off funds and related reporting to ensure full transparency and accountability for the use of the moneys.

The worthy causes for which check-offs were created merit prompt administration of the funds taxpayers have chosen to provide. Further, transparency and accountability over the use of these dedicated funds should be improved to ensure the effective and proper use of these resources. New Yorkers deserve to know that when they donate to an important purpose through a Personal Income Tax check-off box, such funds will be expended in a timely and effective manner to benefit the cause for which they were intended.

³ See www.tax.ny.gov/pdf/2012/inc/it201i_2012.pdf, page 30.

New York's Tax Check-Off Programs

For three decades, New York's taxpayers have been able to make a voluntary donation from a portion of their Personal Income Tax refund or as an additional tax payment to a specified purpose through a check-off on the State tax return form. Each program has been created through passage of a law. As shown in Figure 1, the check-off opportunity now includes eight separate options. In each case, taxpayer donations are transferred to a unique, dedicated fund, from which spending for the specified purpose is statutorily required to be made by the responsible State agency.

Half of the State's check-off programs include a Corporate Income Tax check-off component. Except where noted, collections data in this report reflects Personal Income Tax voluntary contributions as reported by the Department of Taxation and Finance, and does not include the minimal amount received through Corporate Income Tax check-off contributions.

Figure 1

New York State's Tax Check-Off Programs

Program	Responsible Agency / Entity	Year Enacted	Check-Off Source	Amount
Fish and Wildlife Management (Return a Gift to Wildlife)	Department of Environmental Conservation	1982	Personal Income Tax	Any Whole Dollar
U.S. Olympic Committee / Lake Placid Olympic Training Center	U.S. Olympic Committee / Olympic Regional Development Authority	1995	Personal Income Tax	\$2
Breast Cancer Research and Education	Department of Health / Health Research Science Board	1996	Personal Income Tax Corporate Income Tax	Any Whole Dollar
Missing and Exploited Children Clearinghouse	Division of Criminal Justice Services	1997	Personal Income Tax	Any Whole Dollar
Alzheimer's Disease Support Services	Department of Health	1999	Personal Income Tax	Any Whole Dollar
Prostate Cancer Research, Detection and Education	Department of Health / New York State Coalition to Cure Prostate Cancer	2004	Personal Income Tax Corporate Income Tax	Any Whole Dollar
World Trade Center Memorial Foundation	Department of Taxation and Finance / World Trade Center Memorial Foundation	2005	Personal Income Tax Corporate Income Tax	Any Whole Dollar
Volunteer Firefighting and Volunteer Emergency Services Recruitment and Retention	Office of Fire Prevention and Control / Division of Homeland Security and Emergency Services	2009	Personal Income Tax Corporate Income Tax	Any Whole Dollar

Each of New York's eight tax check-off programs has a unique history with respect to its creation, contributions, and spending history. The State's first program, Return a Gift to Wildlife, was created in the wake of the first national wave of check-off programs that were established in the late 1970s. The program to benefit missing and exploited children was created to build support for the Missing and Exploited Children Clearinghouse Fund (Missing Children Fund), which was already in existence. The State's newest program, to support volunteer firefighting and emergency services workers through the Volunteer Firefighting and Volunteer Emergency Services Recruitment and Retention Fund (Volunteer Firefighting and EMS Fund), appears to be the first of its kind in the nation.

The Breast Cancer Research and Education Fund (Breast Cancer Fund), the Prostate Cancer Research, Detection and Education Fund (Prostate Cancer Fund), and the Alzheimer's Disease Assistance Fund (Alzheimer's Disease Fund) each receive a statutorily mandated General Fund matching contribution. The Conservation Fund, the Breast Cancer Fund and the United States Olympic Committee / Lake Placid Olympic Training Facility Fund (Olympic Training Facility Fund) also receive some money from other sources, such as distinctive license plate sales and other dedicated fees.

All fund balances, with the exception of the World Trade Center Memorial Fund, are invested in the State's Short-Term Investment Pool (STIP). Interest earnings are generated on any fund balances in each of the dedicated funds that receive tax check-off donations, and in certain cases smaller sources of revenue are also deposited into the funds. With the exception of the Conservation Fund, the primary source of revenue for these funds are the tax check-offs and, where applicable, the General Fund match.

While certain programs include some limited reporting requirements, there is no standard reporting mechanism from the agencies responsible for the programs to provide detailed information with respect to the use of funds or the progress made in meeting the goals set forth in each program's enabling statute.

Summary of Check-Off Contributions and Spending

Contributions – History

Over the 31-year history of the Personal Income Tax check-off program in New York State, more than \$51 million has been contributed through more than 6 million donations to the various causes eligible to receive such gifts. Due to its longer history, the Return a Gift to Wildlife program has outpaced the other programs in total dollars contributed, as well as in the number of contributions.

Despite being the second oldest check-off program in the State, the Lake Placid Olympic Training Center program has generated the lowest total amount of donations (with the exception of the Volunteer Firefighting and EMS Program, which has only been eligible to receive gifts since SFY 2010-11). This is due, in part, to the statutory gift amount, which is limited to \$2 per individual contribution, a cap which does not apply to the other programs. Figure 2 provides a history of Personal Income Tax contributions for each of the State's check-off programs.

Figure 2

History of Personal Income Tax Check-off Contributions SFY 1982-83 through SFY 2012-13

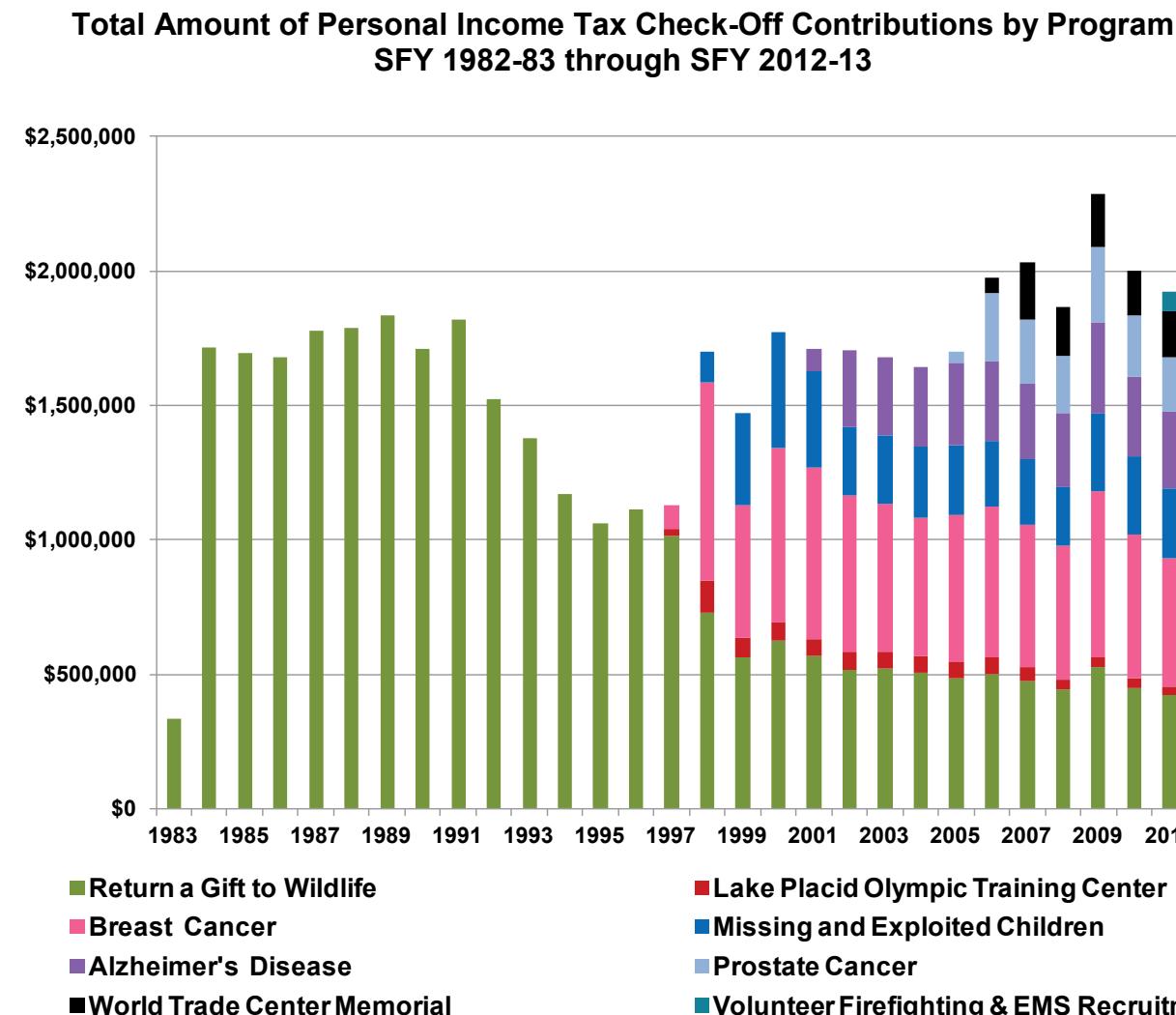
Program	Year Created	Total Amount of Contributions	Share of Total	Total Number of Contributions	Share of Total	Per Capita Average Contribution
Fish and Wildlife Management (Return a Gift to Wildlife)	1982	\$ 29,687,004	58.13%	3,967,228	64.91%	\$ 7.48
Lake Placid Olympic Training Center	1995	912,635	1.79%	292,290	4.78%	3.12
Breast Cancer	1996	8,931,735	17.49%	747,312	12.23%	11.95
Missing and Exploited Children	1997	4,339,056	8.50%	456,909	7.48%	9.50
Alzheimer's Disease	1999	3,581,191	7.01%	317,936	5.20%	11.26
Prostate Cancer	2004	1,834,299	3.59%	178,232	2.92%	10.29
World Trade Center Memorial	2005	1,293,303	2.53%	116,721	1.91%	11.08
Volunteer Firefighting and EMS	2009	492,650	0.96%	34,806	0.57%	14.15
Total		\$ 51,071,873	100%	6,111,434	100%	\$ 8.36

Source: Department of Taxation and Finance

Despite the expansion of purposes for which tax check-off contributions could be made, the level of total voluntary contributions made through the Personal Income Tax check-off has remained within a relatively narrow range.

The average annual total contribution over the period that check-offs have been in existence in New York is \$1.647 million. Contributions have fallen within the range of \$1.5 million to \$2.0 million approximately 67.7 percent of the time. With the exception of the start-up year for Return a Gift to Wildlife, which had total contributions of just over \$330,000, the lowest annual total received was slightly over \$1.0 million in SFY 1995-96. The highest annual total was nearly \$2.3 million, received in SFY 2008-09. Figure 3 shows the history of check-off contributions to the various programs over their collective 31-year history.

Figure 3



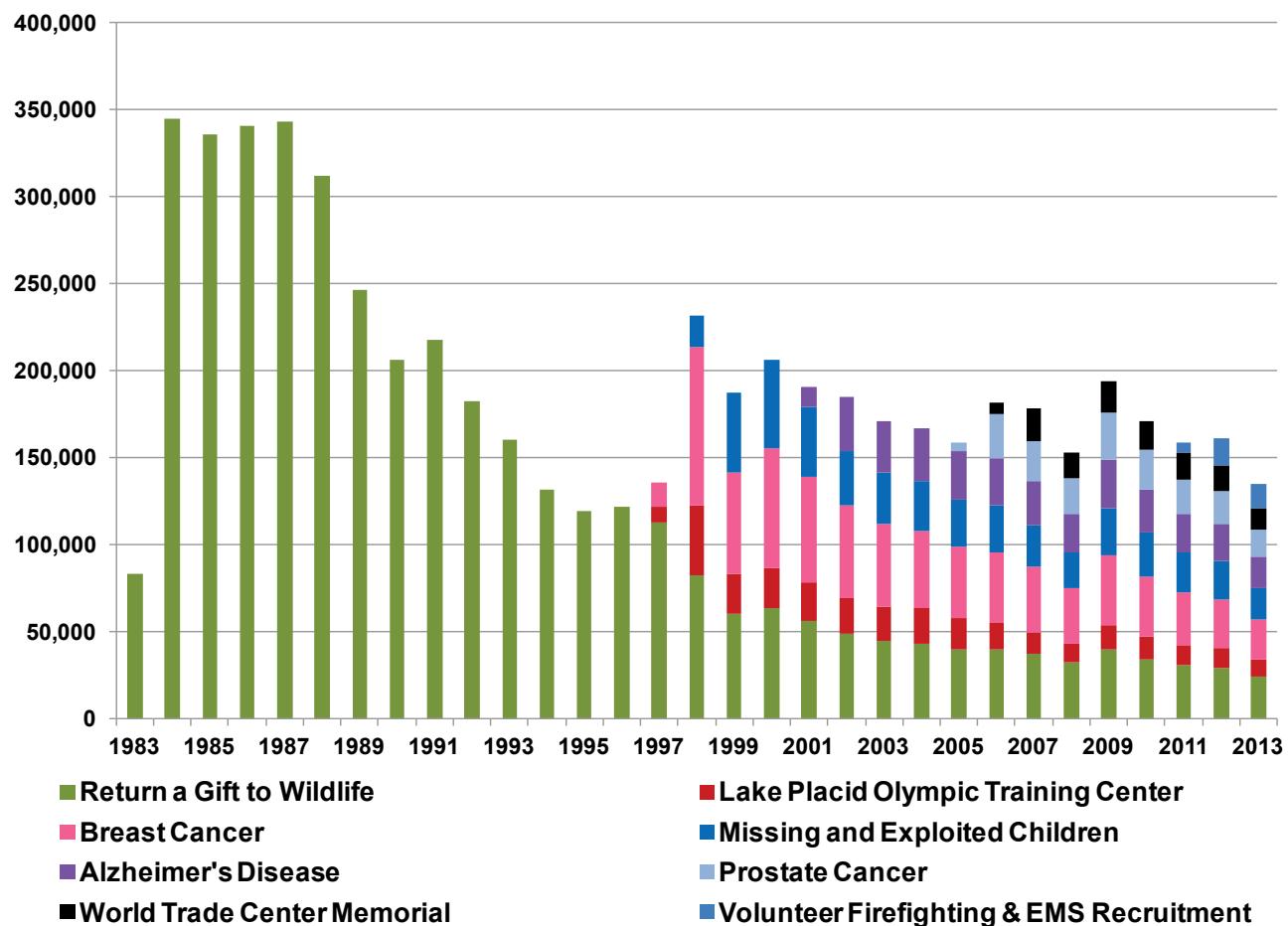
Source: Department of Taxation and Finance

The overall number of contributions made each year has decreased somewhat steadily since the first check-off program was created. The number of contributions peaked in the first full year of the Return a Gift to Wildlife Program, at 344,732 in SFY 1983-84. The low point was reached in SFY 2012-13 at 134,665, reflecting an overall decline in the number of contributions of 60.9 percent from the peak.

The average annual number of contributions made to tax check-off programs in the State through SFY 2012-13 was 197,143. Figure 4 shows the historic trend in the number of check-off contributions.

Figure 4

**Number of Personal Income Tax Check-Off Contributions by Program
SFY 1982-83 through SFY 2012-13**



Source: Department of Taxation and Finance

Spending and Accumulated Fund Balances

Through the last reported year, more than \$14.6 million remained as accumulated balances in six of the dedicated funds that receive Personal Income Tax contributions, excluding the Conservation Fund and the World Trade Center Memorial Fund.⁴ This cumulative total includes contributions from taxpayers, General Fund transfers, dedicated

⁴ The accumulated balance reflects the close of SFY 2012-13 for the Olympic Training Center Fund, the Missing Children Fund, and the Volunteer Firefighting and EMS Fund, and the close of the 2012 calendar year for the Breast Cancer Fund, the Prostate Cancer Fund, and the Alzheimer's Disease Fund.

fees and other revenue (such as distinctive license plate sales), other gifts and donations, and STIP interest. See the check-off program overviews in Appendix A for more detail.

A key factor contributing to these accumulated balances is the fact that over the past ten years, spending from the State's tax check-off funds has lagged contributions and other receipts. With few exceptions, the accumulated balances have increased in each of these dedicated funds over that time period, or over the duration of their existence, if shorter. Figure 5 shows the financial history of each check-off fund over the past ten years.

Figure 5

**Cumulative Ten-Year History of New York's Check-off Funds –
Calendar Year 2003 through 2012 and SFY 2003-04 through SFY 2012-2013***

Program	Opening Balance	Cumulative Total Receipts	Cumulative Total Disbursements	Accumulated Fund Balance
Lake Placid Olympic Training Center	\$ 6,191	\$ 466,694	\$ 434,946	\$ 37,939
Breast Cancer	2,956,699	12,099,019	6,764,229	8,291,489
Missing and Exploited Children	1,194,227	3,010,393	3,115,187	1,089,433
Alzheimer's Disease	535,876	4,743,995	3,440,813	1,839,058
Prostate Cancer	-	2,894,374	-	2,894,374
Volunteer Firefighting and EMS	-	494,931	-	494,931
Total	\$ 4,692,994	\$ 23,709,406	\$ 13,755,174	\$ 14,647,225

Source: Office of the State Comptroller

* The receipts and disbursement data reflects State fiscal years for the Olympic Training Center Fund, the Missing Children Fund, and the Volunteer Firefighting and EMS Fund, and calendar years for the Breast Cancer Fund, the Prostate Cancer Fund, and the Alzheimer's Disease Fund.

Data for the Prostate Cancer Fund reflects the eight-year history of the program, while data for the Volunteer Firefighting and EMS Fund reflects the three-year history of the program. Data reflects the close of SFY 2012-13 for the Olympic Training Center Fund, the Missing Children Fund, and the Volunteer Firefighting and EMS Fund, and the close of the 2012 calendar year for the Breast Cancer Fund, the Prostate Cancer Fund, and the Alzheimer's Disease Fund.

Nearly 89 percent of the accumulated \$14.6 million total is being held in the State's three health-related check-off funds, including 56.6 percent in the Breast Cancer Fund, 19.8 percent in the Prostate Cancer Fund, and 12.6 percent held in the Alzheimer's Disease Fund. These balances largely represent the accumulation of check-off funds and the General Fund match each of these funds receive.

Data for the Return a Gift to Wildlife fish and wildlife management program is not included in the accumulated total, due to the broader scope of receipts in the Conservation Fund and the integral role that Fund plays in support of DEC's operations. The Fund includes several other, much more significant sources of funds which contribute to an accumulated balance of \$37.6 million as of the end of the last fiscal year. The specific portion of that balance attributable to the tax check-off is unclear, though such contributions represent less than 1 percent of Conservation Fund receipts.

The World Trade Center Memorial Fund data is also not included in the \$14.6 million total accumulated balance, because the Fund exists in the sole custody of the Department of Taxation and Finance and thus the Fund's receipts and disbursement data are not included in the State's accounting system. According to reports from the Department to the Office of the State Comptroller, as of the end of SFY 2012-13, a balance of \$102,982 remained in the Fund.

An examination of the past ten years of receipts and disbursements in the six check-off funds included in the accumulated balance total shows that the overall annual rate of spending has declined. Over the first five years of this time period, from 2002-03 through 2007-08, \$11.5 million was received in receipts, while \$8.0 million was spent, or nearly 70 percent of receipts. Over the past five years, \$12 million was received in receipts and \$5.1 million was spent, representing 43 percent of receipts. Figure 6 shows this comparison by Fund.

Figure 6
Comparison of Receipts and Disbursements
Calendar Year 2003 through 2012 and SFY 2003-04 through SFY 2012-2013*

Program	Receipts - First Five Year Period	Disbursements - First Five Year Period	Spending Rate	Receipts - Second Five Year Period	Disbursements - Second Five Year Period	Spending Rate
Lake Placid Olympic Training Center	\$ 295,850	\$ 293,022	99.0%	\$ 170,844	\$ 141,924	83.1%
Breast Cancer	6,810,095	4,116,536	60.4%	5,288,924	2,647,693	50.1%
Missing and Exploited Children	1,353,950	1,745,449	128.9%	1,375,042	719,028	52.3%
Alzheimer's Disease	2,088,873	1,809,895	86.6%	2,655,122	1,630,918	61.4%
Prostate Cancer	920,250	-	-	1,974,124	-	-
Volunteer Firefighting and EMS	-	-	-	494,931	-	-
Total	\$ 11,469,019	\$ 7,964,902	69.4%	\$ 11,958,986	\$ 5,139,562	43.0%

Source: Office of the State Comptroller

* The receipts and disbursement data reflects State fiscal years for the Olympic Training Center Fund, the Missing Children Fund, and the Volunteer Firefighting and EMS Fund, and calendar years for the Breast Cancer Fund, the Prostate Cancer Fund, and the Alzheimer's Disease Fund.

Note: The spending rate above 100 percent for the Missing and Exploited Children Fund reflects the drawdown of an existing balance in the Fund.

These dedicated check-off funds are currently subject to the State's "blanket sweep" budget provisions, under which the Division of the Budget may redirect funds from a special revenue fund to the General Fund for general State spending. While no sweeps have been made from check-off funds to the General Fund to date, the larger the fund balances grow and the longer they remain unspent, the greater the risk that unspent funds might be diverted to the General Fund, thus negating the benefits expected by taxpayers who contributed to the specific causes through the respective tax check-offs.

Conclusion and Recommendations

The intentions behind the creation of tax check-off programs – to give taxpayers the opportunity, at their discretion, to donate to specific, worthwhile causes through their annual income tax filings – are laudable. Despite this, over the three decades of these programs' collective existence in New York State, taxpayer participation levels have declined. Furthermore, data indicates that the addition of new check-off programs does not increase the amounts contributed, but instead appears to redistribute a relatively fixed amount of contributions among a broader range of uses.

Further hindering the realization of the tax check-off programs' potential is the fact that, over the past ten years, spending from the funds dedicated to support these purposes has lagged fund receipts. With a few exceptions, the accumulated balances have increased in each of the dedicated funds. This lack of action could serve to further erode taxpayer interest in these programs.

Nonetheless, the tax check-off continues to be a popular concept, as evidenced by the numerous legislative proposals that are introduced each session. Over the past decade, bills have been introduced to add check-off boxes to New York's Personal Income Tax forms for various causes, including school and library-related purposes, veterans' outreach and assistance, and food banks. However, the issues that have recently arisen with respect to the use of existing check-off funds should be addressed, to ensure that the generosity of the taxpayer is respected through timely and effective administration of the contributions.

To this end, several measures can be taken to improve the administration of these funds, thereby increasing public confidence that contributions will be used effectively and in a timely manner, and heightening public support for these programs.

- Two programs, the Breast Cancer Fund and the Volunteer Firefighting and EMS Fund, require that funds be expended in the year in which they were donated “to the extent practicable.” This provision should be added in the law for all check-off programs. The administering agency should be required to provide justification in the event that any such funds were not expended, along with a remedial plan to ensure the timely and effective use of the funds, in an annual report on receipts and disbursements to the Executive, Legislative leaders and fiscal committees, the Office of the State Comptroller, and the public.
- Each check-off program has an administering State agency, although inconsistent spending levels suggest that the funds are not disbursed in a standardized, efficient manner. For dedicated funds that do not have a defined recipient or specific use (as do the Olympic Training Center Fund, the World Trade Center Memorial Fund, and the Conservation Fund), policies should be developed to establish a prompt, competitive process for the use of the moneys. This could be accomplished through an annual Request for Proposals (RFP) process, or through a standing RFP with strict eligibility criteria to ensure that funds are disbursed in a timely manner and used effectively. Given the ineffectiveness of the structure

currently in place for the Prostate Cancer Fund, the law should be revamped to establish an effective, accountable administrative process.

- The effective and appropriate use of these dedicated funds is as important as making their deployment more expeditious. Transparency and accountability are essential to ensuring the integrity of the check-off programs and providing the public with assurance that their contributions are being used for their intended purposes. Each administering agency should report annually on the use of check-off funds, including the award process used, the amount awarded by recipient, and how such funds were used. In addition, information on projected check-off fund activity should be explicitly included in the Executive Budget submission and the State's Financial Plan. The inconsistent and incomplete reporting requirements that currently exist for the State's various check-off programs do not currently provide this level of clarity.

Taking these steps could go a long way towards improving the transparency, accountability and administration of these funds. It is difficult to conceive that during this time of constrained resources, any of the programs that currently receive check-off contributions would be unable to put these funds to good use in the service of a worthy cause. Contributing taxpayers deserve to know that when they make the decision to donate income to an important purpose through a Personal Income Tax check-off box, such funds will be expended in a timely and effective manner to benefit the cause for which they were intended.

Appendix A: Check-Off Program Details

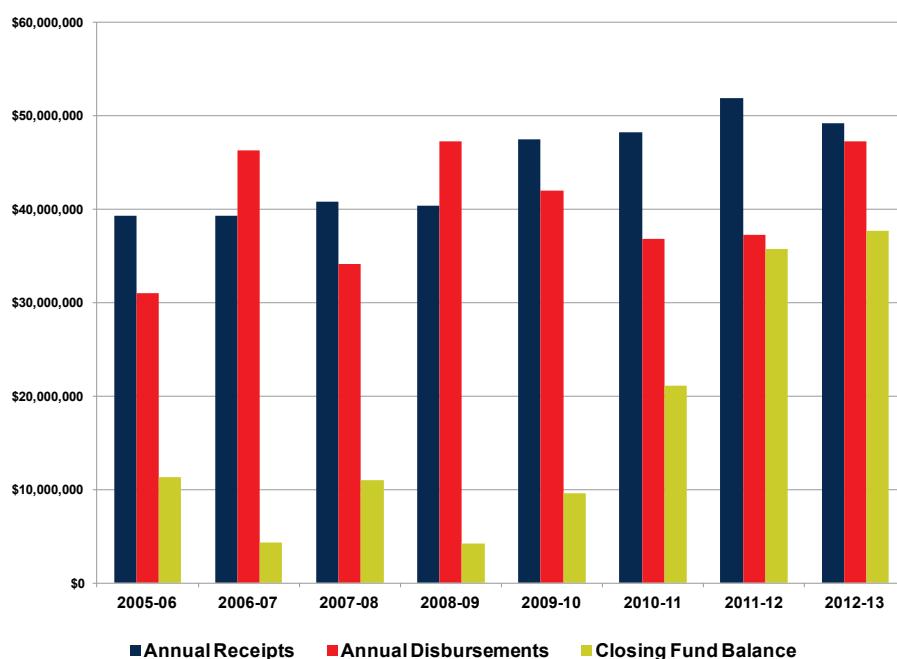
Return a Gift to Wildlife

New York created the fish and wildlife management income tax check-off program, known as Return a Gift to Wildlife, in 1982 to allow individuals to contribute a monetary gift for fish and wildlife management.⁵ The Tax Commission was directed to include space on the State's Personal Income Tax return form to enable such contributions, and all revenue collected was required to be deposited in the Conservation Fund.

The Conservation Fund, one of the State's first dedicated funds, was originally created in 1925 to provide a stable, long-term source of revenue to help support activities related to the State's fish, wildlife and marine resources.⁶ The Fund, which is administered by the Department of Environmental Conservation (DEC), receives revenues from various sources, including all revenue from the sale of hunting, trapping and fishing licenses, which represents its largest source of revenue. Since the inception of the check-off program, voluntary Personal Income Tax contributions totaling \$29.7 million have been made by taxpayers to the Conservation Fund through the Return a Gift to Wildlife check-off, reflecting 58.1 percent of all Personal Income Tax check-off contributions. Figure 7 shows the history of receipts, disbursements and accumulated balances in the Fund since SFY 2005-06.

Figure 7

Conservation Fund Receipts, Disbursements and Accumulated Balance



Source: Office of the State Comptroller

Since SFY 2005-06, the Conservation Fund has accumulated a fund balance of \$37.6 million. Cumulatively, this reflects receipts and a prior cash balance totaling \$360 million, offset by \$322 million in disbursements. The largest revenue source in the Conservation Fund is license fees, which totaled \$334 million over the past eight years. Revenue from Return a Gift to Wildlife totaled \$3.6 million over the same period. In SFY 2012-13, tax-check off revenue received by the Conservation Fund represented less than 1.0 percent of total Conservation Fund receipts.

⁵ Section 625 of the Tax Law, added by Chapter 4 of 1982.

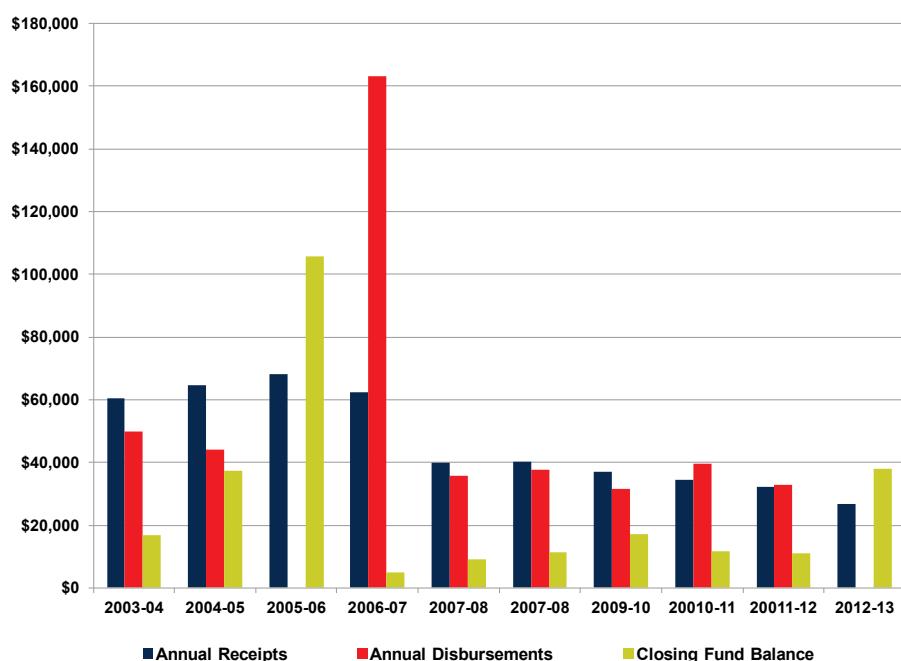
⁶ For more information, see the Office of the State Comptroller's audit of the Conservation Fund, released in October 2013, *Conservation Fund – Sources and Uses*, available at www.osc.state.ny.us/audits/allaudits/093014/12s134.pdf.

United States Olympic Committee/Lake Placid Olympic Training Center

The Personal Income Tax check-off for the United States Olympic Committee / Lake Placid Olympic Training Center Fund was created in 1995 to authorize contributions in support of the Olympic Training Center in Lake Placid.⁷ A set contribution amount of \$2 for individual contributions was established in law (which allows a \$4 contribution for anyone married and filing jointly). The Act also authorized a distinctive "Olympic Spirit" license plate, along with an additional \$20 service charge to be deposited in the Olympic Training Center Fund. Up to 20 percent of the moneys in the Fund could be used by the Department of Motor Vehicles to defray certain costs associated with producing the special plates.

All moneys of the Olympic Training Center Fund, less any administrative expenses, are directed to be spent by the United States Olympic Committee solely and exclusively for the maintenance and operation of the Lake Placid Olympic Training Center, which opened in November 1982. The Center is currently used by U.S. athletes training to compete in future winter and summer Olympics and Paralympics. The facilities include several of those managed by the Olympic Regional Development Authority (ORDA), including the Olympic Jumping Complex, the Olympic Sports Complex, and Whiteface Mountain.⁸ The Center and associated facilities represent an important part of the tourism industry in the Adirondack Region. Figure 8 provides a ten-year history of the Fund.

Figure 8
Olympic Training Center Fund Receipts, Disbursements and Accumulated Balance



Source: Office of the State Comptroller

Since SFY 2003-04, the Olympic Training Center Fund has accumulated a fund balance of \$37,939. Cumulatively over the past ten years, this reflects receipts and a prior cash balance totaling \$472,885, offset by \$434,946 in disbursements. The cumulative receipts total includes:

- \$453,436 from Personal Income Tax check-off contributions;
- \$13,258 from STIP interest earnings; and
- \$6,191 from a cash balance carried forward from prior years.

⁷ See Chapter 394 of the Laws of 1995.

⁸ For more information on ORDA, see the Office of the State Comptroller's report, *Public Authorities by the Numbers: Olympic Regional Development Authority*, released in March 2013.

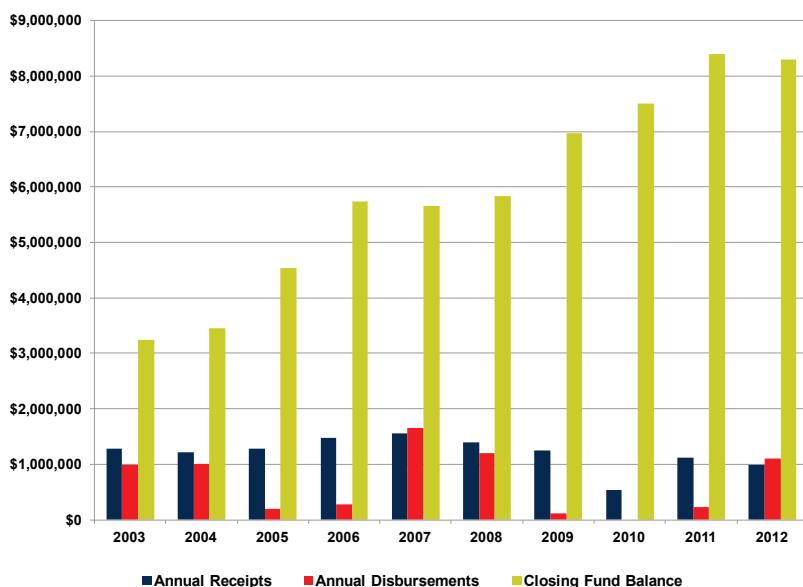
Breast Cancer Research and Education

The Breast Cancer Research and Education tax check-off program was established in 1996 as part of an omnibus bill that, in addition to creating a Personal Income Tax and Corporate Income Tax check-off and Fund, created a water quality monitoring program at DEC, established new pesticide sales and use reporting requirements along with a database to monitor such information, and established an eleven-member Health Research Science Board in the Department of Health (DOH).⁹ The law required that, to the extent practicable, DOH would ensure that all moneys received during the fiscal year were expended prior to the end of that fiscal year. Fund moneys are required to be used for breast cancer-related scientific and educational projects approved by DOH upon recommendation of the Board. The Board is required to report biennially on its activities, including a summary of research requests approved or denied.

In addition to check-off contributions, the Fund has received substantial General Fund support as well as funds from other sources. In the SFY 2011-12 Enacted Budget, language was added to require the State to provide a General Fund match to whatever amount was contributed to the Breast Cancer Fund through the check-offs, based on a certification of the amounts of receipts and disbursements on a calendar year basis by the Comptroller.¹⁰ Because the General Fund match is based on the amount of moneys collected pursuant to the tax check-offs during the preceding calendar year, the figures for this Fund are presented on a calendar year basis. Figure 9 provides a ten-year history of the Fund.

Figure 9

Breast Cancer Fund Receipts, Disbursements and Accumulated Balance



Source: Office of the State Comptroller

Since calendar year 2003, the Breast Cancer Fund has accumulated a fund balance of \$8.3 million. Cumulatively over the past ten years, this reflects receipts and a prior cash balance totaling \$15.1 million, offset by \$6.8 million in disbursements. The cumulative receipts total includes:

- \$5.2 million from Personal Income Tax check-off contributions;
- \$5.5 million from General Fund transfers;
- \$3.0 million from a cash balance carried forward from prior years;
- \$1.0 million from STIP interest earnings; and
- Just over \$400,000 from dedicated motor vehicle fees, distinctive license plate sales and other donations.

⁹ Chapter 279 of the Laws of 1996.

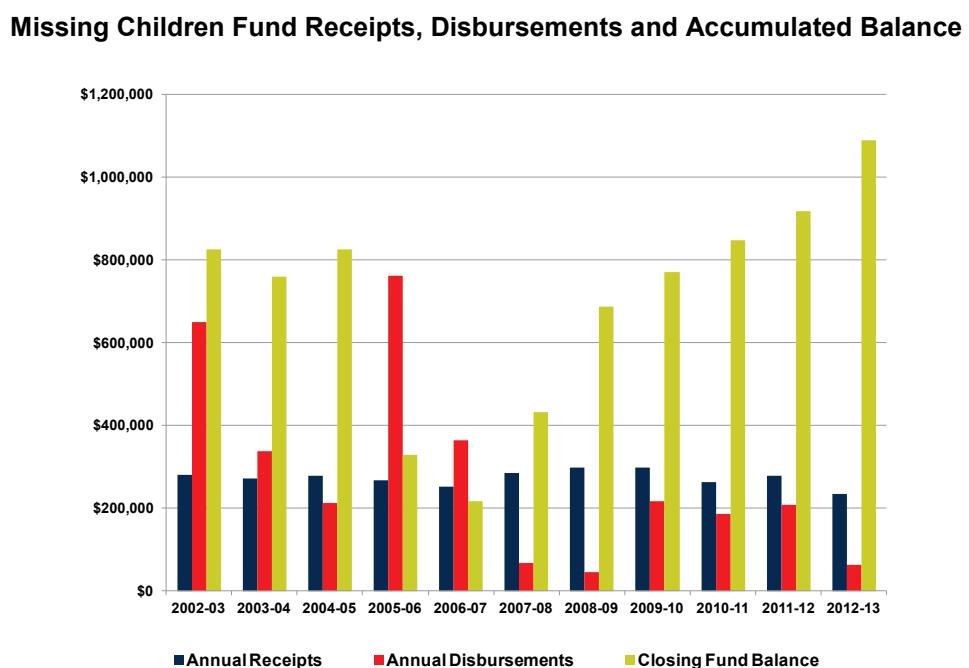
¹⁰ See Chapter 58 of the Laws of 2011, Part BB, Section 2.

Missing and Exploited Children Clearinghouse

The State created the Missing and Exploited Children Clearinghouse Fund in 1994 to aid in preventing the exploitation of children, and in recovering missing or exploited children.¹¹ Low donation amounts attributed, in part, to lack of public awareness, led to legislation that created a tax check-off program to support the Fund in 1997.¹² That bill also added requirements that police and sheriff departments, as well as the Superintendent of State Police, report all closed missing children cases semiannually to the Division of Criminal Justice Services. The law also required the Missing Children Fund to include information on the use of moneys in the Fund in its annual report.

Moneys in the Missing Children Fund are authorized to be used by the Division of Criminal Justice Services to enhance public information and prevention education efforts related to missing and exploited children. Authorized uses include the production of print, video, and radio advertising, brochures, pamphlets, and other activities or purposes as deemed necessary by the Missing and Exploited Children Clearinghouse. Figure 10 provides the recent history of the Fund.

Figure 10



Source: Office of the State Comptroller

Since SFY 2002-03, the Missing Children Fund has accumulated a fund balance of \$1.1 million. Cumulatively over the past ten years, this reflects receipts and a prior cash balance totaling \$4.2 million, offset by \$3.1 million in disbursements. The cumulative receipts total includes:

- \$2.9 million from Personal Income Tax check-off contributions;
- \$1.2 million from a cash balance carried forward from prior years;
- \$124,075 from STIP interest earnings; and
- \$7,740 from miscellaneous sales.

¹¹ See Chapter 530 of the Laws of 1994.

¹² See Chapter 579 of the Laws of 1997.

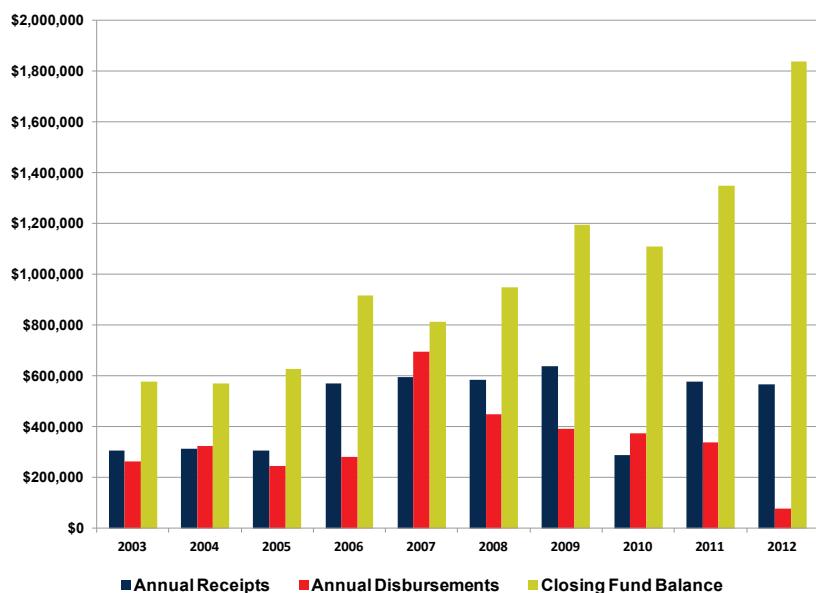
Alzheimer's Disease Support

The check-off program for Alzheimer's disease support services was created by law in 1999 to allow voluntary donations by taxpayers to support services, education, and technical assistance related to the disease.¹³ The Alzheimer's Disease Assistance Fund was created to receive all contributions, to be spent as directed by the statute. As part of the enabling statute, DOH was charged with planning and carrying out Alzheimer's disease assistance programs to enhance support services for people with the disease and their caregivers. This includes education and training, counseling, respite services, and technological assistance. The law directs the State Health Commissioner to make grants to public and not-for-profit entities that serve persons with Alzheimer's disease.

Starting in SFY 2005-06, the Alzheimer's Disease Fund has also received General Fund support. In SFY 2011-12, a General Fund matching component was added to the program, along with the Breast Cancer and Prostate Cancer funds, to provide that all contributions receive a transfer of the same amount from the State to support the purposes of the Fund. The law that created the General Fund match based the match on the amount of moneys collected pursuant to the tax check-offs during the preceding calendar year as certified by the Comptroller. Therefore, the figures for this Fund are presented in this report on a calendar year basis. Figure 11 provides a ten-year history of the Fund.

Figure 11

Alzheimer's Disease Fund Receipts, Disbursements and Accumulated Balance



Source: Office of the State Comptroller

Since calendar year 2003, the Alzheimer's Disease Fund has accumulated a fund balance of \$1.8 million. Cumulatively over the past ten years, this reflects receipts and a prior cash balance totaling \$5.28 million, offset by \$3.44 million in disbursements. The cumulative receipts total includes:

- \$2.9 million from Personal Income Tax check-off contributions;
- \$1.7 million from General Fund transfers;
- \$535,876 from a cash balance carried forward from prior years; and
- \$163,168 from STIP interest earnings.

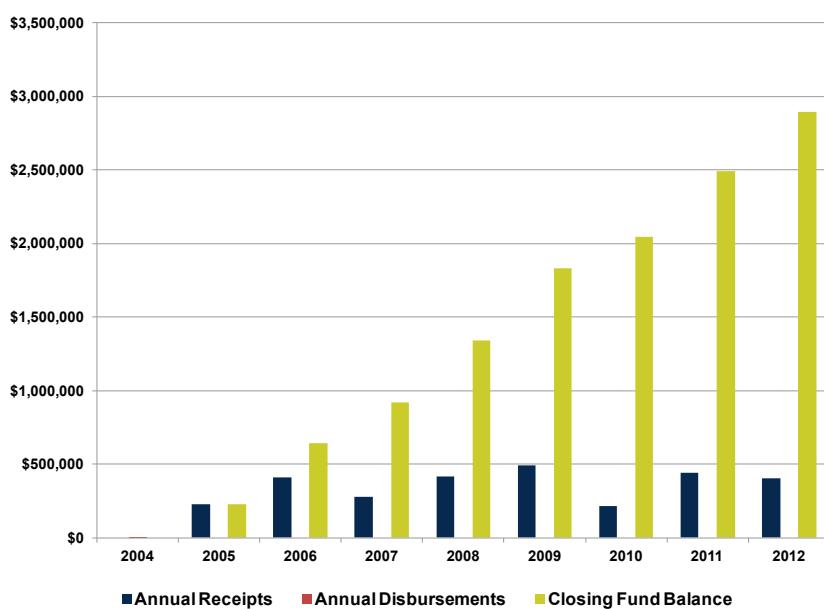
¹³ Chapter 590 of the Laws of 1999.

Prostate Cancer Research, Detection and Education

In 2004, legislation established Personal Income Tax and Corporate Income Tax check-offs in support of a newly created Prostate Cancer Research, Detection and Education program.¹⁴ Unique among the State's check-off programs at that time, the legislation that created this program directed all funds to a single entity – the New York State Coalition to Cure Prostate Cancer, a not-for-profit corporation that came into existence that same year. This original structure has proven problematic. The legislation also directs the Comptroller to certify annually to the Governor and the Legislature by February 1 the amount of money deposited, by source, into the Prostate Cancer Fund during the preceding calendar year.

As with the Breast Cancer Fund and the Alzheimer's Disease Fund, a General Fund match component was added in the SFY 2011-12 Enacted Budget for the Fund. Prior to this, the Prostate Cancer Fund periodically received transfers from the General Fund totaling \$550,000. Because the General Fund match is based on the amount of moneys collected pursuant to the tax check-offs during the preceding calendar year as certified by the Comptroller, Fund figures are presented here on a calendar year basis. Figure 12 shows the history of receipts and disbursements in the Fund.

Figure 12
Prostate Cancer Fund Receipts and Accumulated Balance



Source: Office of the State Comptroller

Over the eight years the Prostate Cancer Fund has been receiving check-off donations, no money has been spent from the Fund, which currently has an accumulated balance of \$2.9 million, including:

- \$1.8 million in Personal Income Tax check-off donations
- \$986,707 in General Fund support;
- \$115,915 in STIP interest earnings; and
- Almost \$6,000 in Corporate Income Tax donations and individual contributions.

According to a 2013 report in the Rochester Democrat and Chronicle, the Internal Revenue Service revoked the tax-exempt status of the organization designated in law to receive and administer the funds, the New York State Coalition to Cure Prostate Cancer in 2011.¹⁵

¹⁴ See Chapter 273 of the Laws of 2004.

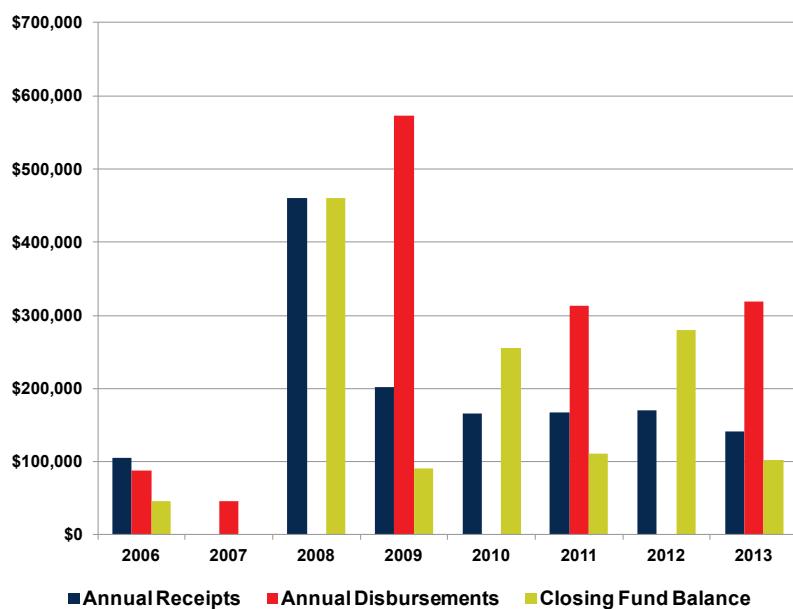
¹⁵ See www.democratandchronicle.com/story/news/local/2013/10/13/watchdog-report-ny-tax-checkoff-fund-to-nowhere/2971781/.

World Trade Center Memorial Fund

The check-off program for the World Trade Center Memorial Foundation was created in 2005 to provide voluntary taxpayer support for the construction, installation, and operation of the World Trade Center memorial.¹⁶ Check-off boxes were authorized for both the Personal Income Tax and the corporate franchise tax. Unlike the State's other check-off programs, for which funds were created in the joint custody of the Comptroller and the Commissioner of Taxation and Finance, and from which funds are payable on the audit and warrant of the Comptroller, the World Trade Center Memorial Fund was created in the sole custody of the Commissioner of Taxation and Finance. Moneys are payable from the Fund by the Commissioner on vouchers approved by the Chairman of the Board of the Directors of the World Trade Center Memorial Foundation, Inc., which is a 501(c)(3) non-profit corporation created to raise funds for a memorial to honor the victims of the September 11, 2001 terrorist attacks.¹⁷ As a result, spending from the Fund does not flow through the State's accounting system, and is not subject to the same oversight as other funds of the State.

The history of the Fund's receipts and disbursements since the creation of the check-off, as reported by the Department of Taxation and Finance to the Office of the State Comptroller, is shown in Figure 13. Because the Fund was created as a sole custody account under the jurisdiction of the Department, the Office of the State Comptroller can only report transfer information made available by the Department. Therefore, receipts amounts may include contributions to the Fund beyond check-off donations.

Figure 13
World Trade Center Fund Receipts, Disbursements and Accumulated Balance



Sources: New York State Department of Taxation and Finance, Office of the State Comptroller

Since SFY 2005-06, the World Trade Center Memorial Fund has accumulated a fund balance of \$102,982. Cumulatively, this reflects receipts (which may include other donations beyond the Personal Income Tax check-off) of \$1.4 million and a prior cash balance totaling \$28,322, offset by \$1.3 million in disbursements. In addition to these funds, the World Trade Center Memorial Foundation has received significant amounts of public and private funding to support the construction and maintenance of the National September 11 Memorial to honor the victims of the terrorist attacks at the World Trade Center, in Pennsylvania, and at the Pentagon, as well as at the 1993 World Trade Center bombing.

¹⁶ See Chapter 753 of the Laws of 2005.

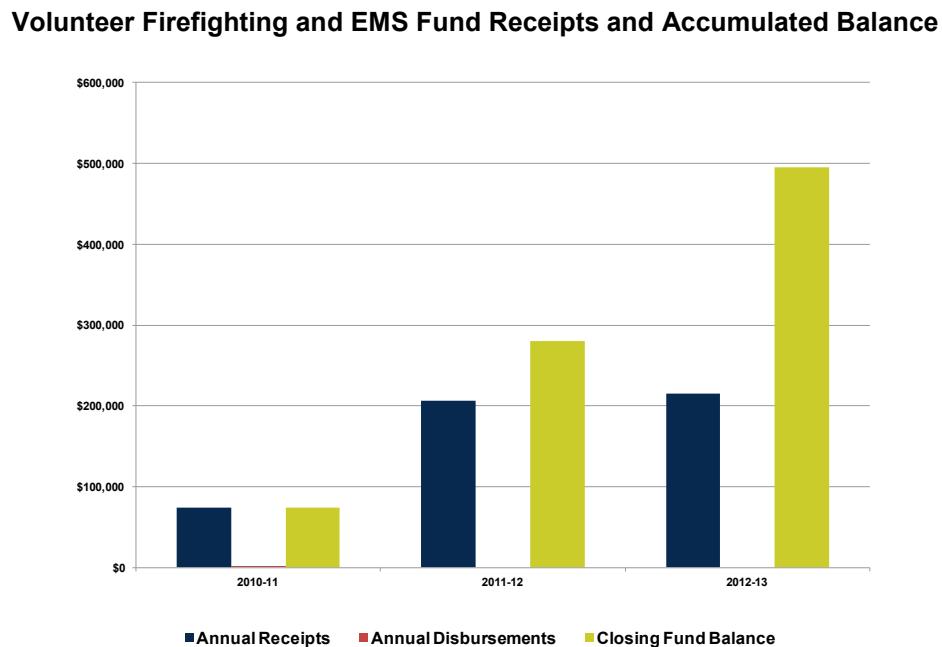
¹⁷ Please visit www.911memorial.org/about-memorial for more information.

Volunteer Firefighting and Volunteer Emergency Services Recruitment and Retention

New York's newest check-off program was created in 2009 to allow taxpayers to make donations through their Personal Income Tax and Corporate Income Tax filings to support the recruitment and retention of volunteer firefighting and volunteer emergency services workers through the Volunteer Firefighting and Volunteer Emergency Services Recruitment and Retention Fund.¹⁸ The State Fire Administrator, head of the Office of Fire Prevention and Control within the Division of Homeland Security and Emergency Services, is responsible for expenditures from the Fund.

The law that created the Volunteer Firefighting and EMS Fund requires, to the extent practicable, that the State Fire Administrator ensure that all moneys received during a fiscal year be expended prior to the end of that fiscal year. However, no funds have been disbursed over the three-year existence of the program. Figure 14 shows the history of the Fund since the check-off program was created.

Figure 14



Source: Office of the State Comptroller

Combined with contributions of \$494,070 over the three-year history of the program, a total of \$861 in STIP interest earnings has accrued to the Volunteer Firefighting and EMS Fund, bringing its accumulated fund balance to \$494,931.

¹⁸ See Chapter 490 of the Laws of 2009.

Appendix B: Check-Off Contributions by the Numbers

Figure 15

Number of Check-Off Contributions by Fund SFY 1982-83 through SFY 2012-13

State Fiscal Year End	Return a Gift to Wildlife	Lake Placid Olympic Training Center Fund	Breast Cancer Research and Education Fund	Missing & Exploited Children Clearinghouse Fund	Alzheimer's Disease Fund	Prostate Cancer Research Fund	World Trade Center Memorial Fund	Volunteer Firefighting/EMS Recruitment & Retention Fund	Total Contributions
1983	83,189								83,189
1984	344,732								344,732
1985	335,644								335,644
1986	340,854								340,854
1987	343,453								343,453
1988	312,508								312,508
1989	246,538								246,538
1990	206,580								206,580
1991	217,907								217,907
1992	182,285								182,285
1993	160,623								160,623
1994	131,575								131,575
1995	118,991								118,991
1996	122,148								122,148
1997	112,842	9,288	13,547						135,677
1998	82,637	40,058	90,898	18,175					231,768
1999	60,629	22,905	58,349	45,203					187,086
2000	63,901	22,822	68,611	50,883					206,217
2001	55,868	22,104	60,790	40,544	11,103				190,409
2002	48,672	20,312	53,844	31,334	30,901				185,063
2003	44,900	19,440	47,714	29,138	29,812				171,004
2004	43,492	19,772	44,668	28,968	29,673				166,573
2005	39,510	18,455	41,135	26,593	28,108	5,160			158,961
2006	39,793	15,240	40,879	26,358	27,324	25,706	6,119		181,419
2007	37,117	12,803	37,340	24,146	24,861	23,590	18,201		178,058
2008	32,048	10,719	32,247	20,498	21,875	20,631	15,115		153,133
2009	39,827	13,838	40,362	27,204	28,082	26,377	18,331		194,021
2010	34,076	12,916	34,886	25,006	24,747	22,642	16,404		170,677
2011	30,862	11,674	30,207	22,591	22,338	19,840	15,432	5,837	158,781
2012	29,435	10,832	28,632	22,037	21,114	18,908	14,909	15,028	160,895
2013	24,592	9,112	23,203	18,231	17,998	15,378	12,210	13,941	134,665
Total	3,967,228	292,290	747,312	456,909	317,936	178,232	116,721	34,806	6,111,434

Source: Department of Taxation and Finance

Figure 16

Amount of Check-Off Contributions by Fund
SFY 1982-83 through SFY 2012-13
(in dollars)

State Fiscal Year End	Return a Gift to Wildlife	Lake Placid Olympic Training Center Fund	Breast Cancer Research and Education Fund	Missing & Exploited Children Clearinghouse Fund	Alzheimer's Disease Fund	Prostate Cancer Research Fund	World Trade Center Memorial Fund	Volunteer Firefighting/EMS Recruitment & Retention Fund	Total Contributions
1983	331,925								331,925
1984	1,715,124								1,715,124
1985	1,692,087								1,692,087
1986	1,680,559								1,680,559
1987	1,775,418								1,775,418
1988	1,787,733								1,787,733
1989	1,834,534								1,834,534
1990	1,708,144								1,708,144
1991	1,817,144								1,817,144
1992	1,522,000								1,522,000
1993	1,375,998								1,375,998
1994	1,169,476								1,169,476
1995	1,059,476								1,059,476
1996	1,112,730								1,112,730
1997	1,015,732	24,624	89,369						1,129,725
1998	727,729	118,482	737,021	117,953					1,701,185
1999	564,250	68,577	493,746	345,924					1,472,497
2000	625,074	68,587	647,381	429,754					1,770,796
2001	567,586	64,030	635,809	361,977	82,117				1,711,519
2002	517,547	63,768	581,224	257,091	284,895				1,704,525
2003	519,947	62,740	551,018	253,576	290,416				1,677,697
2004	503,527	62,289	518,440	261,717	297,141				1,643,114
2005	482,819	62,074	549,153	259,595	305,217	38,111			1,696,969
2006	499,100	64,402	558,930	245,734	296,278	251,565	58,971		1,974,980
2007	475,763	50,234	531,587	243,483	277,628	240,607	213,736		2,033,038
2008	445,469	32,509	501,375	214,763	277,688	211,209	182,015		1,865,028
2009	524,483	39,898	618,387	286,028	341,568	276,532	199,257		2,286,152
2010	448,596	37,044	534,391	288,380	296,758	229,338	164,017		1,998,526
2011	420,888	34,464	474,371	261,921	283,730	205,856	166,817	73,760	1,921,806
2012	405,830	32,198	488,878	278,045	280,078	211,428	169,109	205,123	2,070,690
2013	360,316	26,715	420,655	233,115	267,677	169,654	139,380	213,767	1,831,278
Total	29,687,004	912,635	8,931,735	4,339,056	3,581,191	1,834,299	1,293,303	492,650	51,071,873

Source: Department of Taxation of Finance