STATE OF NEW YORK

TAX APPEALS TRIBUNAL

In the Matter of the Petition of **COLLISION PROZ AUTOBODY CORP.** for Review of a Proposed Revocation of a License, Permit or Registration under Articles 28 and 29 of the Tax Law dated September 23, 2025.	DECISION DTA NO. 852360

Petitioner, Collision Proz Autobody Corp., filed an exception to the determination of the Administrative Law Judge issued on July 2, 2026. Petitioner appeared pro se. The Division of Taxation appeared by Amanda Hiller, Esq. (Lori Antolick, Esq., of counsel).

Petitioner filed a letter brief in support of the exception. The Division of Taxation filed a brief in opposition. Petitioner filed a reply brief. Petitioner's request for oral argument was denied. Pursuant to Tax Law § 2008 (2), the decision in this matter is due within three months of the filing of the petition. With the tolling of the due date for extensions granted, the due date for the issuance of this decision is October 28, 2026.

After reviewing the entire record in this matter, the Tax Appeals Tribunal renders the following decision.

ISSUE

Whether petitioner has established that the Division of Taxation's proposed revocation of petitioner's certificate of authority was improper and should be cancelled.

FINDINGS OF FACT

We find the facts as determined by the Administrative Law Judge. These facts are set

forth below.

1. Petitioner, Collision Proz Autobody Corp., operates a business located in Bronx, New York, providing automotive mechanical and body repair services.

2. On June 16, 2025, the Division of Taxation (Division) issued a notice and demand for payment of tax due (notice and demand) to petitioner, notifying it that it had failed to file its sales tax return for the quarter ending November 30, 2024. The notice and demand informed petitioner that a notice of estimated determination had been issued to it on February 28, 2025, requesting that petitioner file the sales tax return due for the overdue quarter even if no tax was due. The Division also attached a consolidated statement of tax liabilities to the notice and demand, which listed the following outstanding sales tax liabilities as subject to collection:

Assessment ID	Tax Period Ended	Tax Amount Assessed	Interest Amount Assessed	Penalty Amount Assessed	Assessment Payments/ Credits	Current Balance Due
L-059253233	2/28/22	79,674.51	49,346.08	23,902.25	0.00	152,922.84
L-059253234	5/31/22	73,011.96	40,855.77	21,903.39	0.00	135,771.12
L-059253235	8/31/22	64,870.93	32,877.21	19,461.09	0.00	117,209.23
L-059253236	11/30/22	89,848.19	40,360.19	26,954.41	0.00	157,162.79
L-059253237	2/28/23	77,134.22	30,627.23	23,140.22	0.00	130,901.67
L-059253238	5/31/23	80,770.22	26,515.51	25,052.38	57,513.80	74,824.31
L-059264969	8/31/23	74,857.87	22,522.45	23,143.67	0.00	120,523.99
L-059340287	11/30/23	49,733.19	12,784.27	13,967.64	0.00	76,485.10
L-059966656	2/29/24	44,709.41	7,750.59	9,977.28	10,000.00	52,437.28
L-060347364	5/31/24	64,500.31	10,839.88	13,975.03	0.00	89,315.22
L-060766793	8/31/24	55,313.70	6,986.05	10,325.15	0.00	72,624.90
L-061409275	2/28/25	24,459.01	1,352.80	3,338.61	0.00	29,150.42
					TOTAL	$1,209,328.87

The notice and demand also listed the return for the period ending November 30, 2024, as not having been filed as of June 16, 2025:

Assessment ID	Tax Period Ended	Tax Amount Due	Interest Amount Due	Penalty Amount Due	Assessment Payments/ Credits	Current Balance Due
L-061324655	11/30/24	64,500.31	5,558.23	10,750.03	0.00	80,808.57
					TOTAL	$1,209,328.87

The notice and demand noted that recent adjustments and credits may not yet be included in the statement.

3. On September 23, 2025, the Division issued a notice of proposed revocation of sales tax certificate of authority (proposed revocation notice) to petitioner, warning petitioner that its certificate of authority would be revoked within 30 days unless petitioner filed all missing returns, paid any unpaid fixed and final sales tax debts and otherwise met its sales tax obligations. Contained within the proposed revocation notice was the following statement:

> "Unless you take steps to resolve the following issues within 30 days of the date this notice was mailed, the business's *Certificate of Authority* will be revoked pursuant to Tax Law § 1134(a)(4)(A).
>
> - You have willfully failed to collect or pay over New York State sales tax as required by the Tax Law. The enclosed *Consolidated Statement of Tax Liabilities* sets forth the details of what you owe.
>
> - You have willfully failed to file all reports or returns required by the New York State Sales Tax Law."

The Division also attached a consolidated statement of tax liabilities to the notice of proposed revocation, which listed the following outstanding sales tax liabilities as subject to collection:

Assessment ID	Tax Period Ended	Tax Amount Assessed	Interest Amount Assessed	Penalty Amount Assessed	Assessment Payments/ Credits	Current Balance Due
L-062156276	5/31/25	0.00	5.50	669.12	0.00	674.62

L-061409275	2/28/25	24,459.01	2,302.79	4,072.38	0.00	30,834.18
L-060766793	8/31/24	55,313.70	9,278.97	11,984.54	0.00	76,577.21
L-060347364	5/31/24	64,500.31	13,612.75	15,910.03	0.00	94,023.09
L-059966656	2/29/24	44,709.41	10,949.69	12,188.40	10,000.00	57,847.50
L-059340287	11/30/23	45,249.90	13,724.82	14,065.62	0.00	73,040.34
L-059264969	8/31/23	61,309.65	21,469.73	19,007.46	0.00	101,786.84
L-059253238	5/31/23	78,352.23	25,735.73	24,010.94	75,865.87	52,233.03
L-059253237	2/28/23	67,280.67	30,308.86	20,184.06	0.00	117,773.59
L-059253236	11/30/22	78,739.89	39,742.33	23,621.78	0.00	142,104.00
L-059253235	8/31/22	60,395.88	34,050.37	18,118.58	0.00	112,564.83
L-059253234	5/31/22	70,023.57	43,258.04	21,006.95	0.00	134,288.56
L-059253233	2/28/22	75,383.90	51,271.40	22,614.99	0.00	149,270.29
					TOTAL	$1,143,018.08

As part of the revised consolidated statement of tax liabilities, the Division listed estimated sales tax due for the quarter ending November 30, 2024, due to no sales tax return being filed for that quarter:

Assessment ID	Tax Period Ended	Tax Amount Assessed	Interest Amount Assessed	Penalty Amount Assessed	Assessment Payments/ Credits	Current Balance Due
L-061324655	11/30/24	64,500.31	8,136.71	12,685.03	0.00	85,322.05
					TOTAL	$85,322.05

4. Petitioner filed a protest of the proposed revocation notice with the Division's Bureau of Conciliation and Mediation Services (BCMS), which held a conciliation conferenceon November 3, 2025. By conciliation order, dated November 28, 2025 (CMS number 000376863), the BCMS conferee denied petitioner's protest of the Division's proposed revocation.

5. On December 26, 2025, petitioner timely filed a petition for a hearing before the Division of Tax Appeals protesting the proposed revocation. A hearing was held by videoconference on February 20, 2026, with Juan Clarke, Jr., one of petitioner's owners, and Maralin Springer, a Division employee, appearing as witnesses.

6. Ms. Springer testified that she is currently a Taxpayer Specialist 2 with the Civil Enforcement Division of the Division. She has held that position for two years and has been employed by the Division for 12 years in total. As part of her job duties, Ms. Springer assists taxpayers with setting up formal payment plans for overdue taxes and takes collection actions against taxpayers who have not complied with their tax obligations, including seizing businesses and revoking certificates of authority.

7. Ms. Springer was assigned to petitioner's case and began the certificate revocation process after petitioner failed to fully pay the outstanding balance or set up a formal payment plan to resolve the overdue sales tax amounts. She testified that the standard review process for determining whether a taxpayer should have its certificate of authority revoked includes reviewing whether the taxpayer owes more than $5,000.00 in overdue tax. Next, Ms. Springer would contact the taxpayer by phone to work out a voluntary payment plan. If those collection methods fail, the Division would next consider levies or seizure of the business before considering revoking its certificate of authority. In this case, Ms. Springer testified that the Division attempted seizure of the business but, instead, allowed petitioner additional time to resolve the outstanding tax balances. According to the Division's records, all the listed assessments were fixed and final liabilities and therefore subject to collection. Ms. Springer explained that, because petitioner was unable to resolve its outstanding balances, she referred the

case to her supervisor for approval of revocation of petitioner's certificate of authority, which ultimately resulted in the issuance of the proposed revocation notice on September 23, 2025.

8. At the hearing, when asked if there was anything that could be done to stop the revocation process once it was started, Ms. Springer replied that establishing a formal payment plan with the Division would stop a revocation in process. Ms. Springer testified that there was no formal payment plan in place according to the Division's records. According to Ms. Springer, a taxpayer can also enter into a formal payment plan through an accepted offer in compromise, but that taxpayers who have not yet had an offer in compromise accepted were still eligible for revocation of their certificates of authority. In this case, petitioner was allowed time to complete the offer in compromise but failed to complete it within the time allowed, thus resulting in the referral for revocation of its certificate of authority.

9. Juan Clarke, Jr., appeared as a witness for petitioner. Mr. Clarke testified that he was one of three owners of petitioner. Mr. Clarke explained that the business had fallen behind in its sales tax filings, but filed a number of past due returns and entered into a formal payment arrangement with the Division for the outstanding tax liabilities sometime in 2025. However, petitioner was unable to keep up with the payment schedule and opted to file for an offer in compromise to resolve the outstanding tax debt. Mr. Clarke stated that, after he expended considerable effort in collecting the required documents and information needed, petitioner submitted its application for an offer in compromise to the Division.

10. After receiving correspondence from the Division, dated September 5, 2025, stating that the application was incomplete and requesting further information, Mr. Clarke worked with petitioner's other owners and their representative to provide the requested information to the Division's Offer in Compromise Unit. By correspondence, dated November 6, 2025, the

Division acknowledged petitioner's submission of a complete application for an offer in compromise. While admitting that at the time of the original filing of the application for an offer in compromise that petitioner was not current on its tax filings, Mr. Clarke testified that petitioner remained committed to resolving its sales tax liability.

THE DETERMINATION OF THE ADMINISTRATIVE LAW JUDGE

The Administrative Law Judge noted that the issue was whether the Division's proposed revocation of petitioner's certificate of authority was proper in light of petitioner's contention that their submission of an offer in compromise to the Division should stay the revocation of its certificate of authority until such time the offer in compromise is accepted or denied. The Administrative Law Judge noted that petitioner did not dispute that the assessments listing past due sales tax amounts are valid and admitted that at the time of the initial filing of its offer in compromise, it was not in compliance with its filing obligations. Therefore, the Administrative Law Judge concluded that petitioner acted willfully in failing to meet its return filing and tax remittance obligations under the Tax Law and was thus subject to having its certificate of authority revoked.

The Administrative Law Judge further noted that the Division's acceptance of an offer in compromise is discretionary, and the Division of Tax Appeals is an adjudicatory body of limited jurisdiction which lacks the authority to mandate settlement agreements made with the Division. The Administrative Law Judge accordingly denied the petition and sustained the notice of proposed revocation of petitioner's sales tax certificate of authority.

ARGUMENTS ON EXCEPTION

On exception, petitioner does not contest its outstanding sales tax liability but instead asks the Tribunal to reverse the determination of the Administrative Law Judge based on the

claim that "the record demonstrates substantial good-faith efforts to resolve those liabilities," including filing overdue returns, participating in payment discussions, and submitting an offer in compromise. Petitioner states that on exception it is not asking the Tribunal to stay the revocation of its certificate of authority, nor to compel the Division to accept its offer in compromise, but rather that it is asking the Tribunal to review the record in its entirety and review the decision of the Division to revoke its certificate of authority.

The Division asserts that the Administrative Law Judge correctly determined that petitioner acted knowingly and voluntarily when it failed to pay sales tax collected on taxable receipts for the period in issue and was thus properly subject to having its certificate of authority revoked. The Division further asserts that the Administrative Law Judge correctly determined that the Division of Tax Appeals is an adjudicatory body of limited jurisdiction and therefore lacks the authority to mandate settlement agreements.

OPINION

The issue on exception is whether the Division's proposed revocation of petitioner's certificate of authority was improper and should be cancelled.

When a holder of a certificate of authority willfully fails to file a sales tax return or to pay over sales tax collected, the Division may revoke or suspend the certificate of authority (***see*** Tax Law § 1134 [a] [4] [A]; 20 NYCRR 539.4 [a], [b]). Failure to file sales tax returns as required under the Tax Law is willful for purposes of Tax Law § 1134 (a) (4) (A) (i) where such failure is "knowing, deliberate and voluntary" (***Matter of Yonkers Wholesale Beer Distrib., Inc.***, Tax Appeals Tribunal, January 27, 2020; ***see also Matter of Flair Beverages Corp.***, Tax Appeals Tribunal, December 2, 2021, ***confirmed*** 229 AD3d 1012 [3d Dept 2024], ***lv denied*** 44 NY3d 902 [2025], citing ***Matter of Levin v Gallman***, 42 NY2d 32, 34 [1977]). As the Administrative Law

Judge noted, petitioner does not contest its outstanding sales tax liabilities, nor that it failed to file returns and remit tax collected for the period at issue. As such, the Administrative Law Judge properly found that because petitioner acted voluntarily, it acted willfully in failing to meet its obligations under the Tax Law and is thus subject to having its certificate of authority revoked.

Petitioner asks this Tribunal to consider its attempts to enter into an offer in compromise with the Division as the basis for reversing the determination of the Administrative Law Judge and cancelling the notice.

We have previously held that this Tribunal does not have the authority to reinstate a certificate of authority based on attempts by a taxpayer to establish a mutually agreeable payment plan for its outstanding tax liabilities giving rise to a notice of proposed revocation (***Matter of Bar 13, Inc.***, Tax Appeals Tribunal, January 19, 2023). We therefore affirm the Administrative Law Judge's determination.

Accordingly, it is ORDERED, ADJUDGED, and DECREED that:

1. The exception of Collision Proz Autobody Corp. is denied;
2. The determination of the Administrative Law Judge is affirmed;
3. The petition of Collision Proz Autobody Corp. is denied; and
4. The notice of proposed revocation of sales tax authority is sustained.

DATED: Albany, New York
October 22, 2026

/s/ Kevin A. Cahill
Kevin A. Cahill
Commissioner and President

/s/ Cynthia M. Monaco
Cynthia M. Monaco
Commissioner