

## **Tax and Finance Department Legally Required to Protect Abercrombie & Fitch**

Countless New Yorkers who were charged an illegal 8.5% sales tax at the Abercrombie and Fitch store in the Wilton Mall won't ever learn just how many--or by how much-- consumers were ripped off.

The now closed Abercrombie clothing store in the Wilton Mall was charging customers 8.5% sales tax even though the approved rate in Saratoga is 7%.

Once NewsChannel 13 alerted the New York State Department of Tax and Finance to the issue, we're told they sent auditors to the store to seize records and an investigation began.

On Friday, we went to Tax and Finance with several questions:

How long was Abercrombie charging the wrong tax?

What was the total amount collected?

And probably most importantly, where is the extra money now. Did Abercrombie remit it to New York State or did the corporation keep it?

The agency's repeated response was "no comment" and cited a tax secrecy law.

Turns out the law was passed by the legislature to encourage honesty when filing taxes and even other state agencies aren't allowed access to the financial information.

In this case it may seem like the state is protecting the right of a company over the right of a consumer but the Department of Tax and Finance would be breaking the law if it provided NewsChannel 13 with the results of its investigation.

"The fact of the matter is the legislature, in its wisdom, determined the Tax Department can't disclose this type of information," explains a Tully Rinckey attorney who specializes in business and corporate law. "They needed to encourage tax payers to file their returns without worrying about returns or matters related to the returns being disclosed to anyone," he adds.

If The Department of Tax and Finance holds a hearing, then a decision would become public record.

If you think you were affected by this problem, you are entitled to a refund. [Click here](#) to download the form.