

4716

2011-2012 Regular Sessions

I N   S E N A T E

April 15, 2011

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Introduced by Sen. BALL -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to exempting earnings from self-employment, not-for-profit corporations, political subdivisions of the state and school districts from the metropolitan commuter transportation mobility tax; and to repeal certain provisions of such law relating thereto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Subsection (b) of section 800 of the tax law, as added by  
2     section 1 of part C of chapter 25 of the laws of 2009, is amended to  
3     read as follows:  
4     (b) Employer. Employer means an employer required by section six  
5     hundred seventy-one of this chapter to deduct and withhold tax from  
6     wages, that has a payroll expense in excess of two thousand five hundred  
7     dollars in any calendar quarter; other than:  
8     (1) any agency or instrumentality of the United States;  
9     (2) the United Nations; [or]  
10    (3) an interstate agency or public corporation created pursuant to an  
11    agreement or compact with another state or the Dominion of Canada[.];  
12    (4) ANY NOT-FOR-PROFIT CORPORATION;  
13    (5) ANY POLITICAL SUBDIVISION OF THE STATE OR ANY MUNICIPALITY, AND  
14    EVERY AGENCY AND INSTRUMENTALITY THEREOF; OR  
15    (6) ANY SCHOOL DISTRICT.  
16    S 2. Subsection (e) of section 800 of the tax law is REPEALED.  
17    S 3. Section 801 of the tax law, as added by section 1 of part C of  
18    chapter 25 of the laws of 2009, is amended to read as follows:  
19    S 801. Imposition of tax and rate. (a) For the sole purpose of provid-  
20    ing an additional stable and reliable dedicated funding source for the  
21    metropolitan transportation authority and its subsidiaries and affil-

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 iates to preserve, operate and improve essential transit and transporta-  
2 tion services in the metropolitan commuter transportation district, a  
3 tax is hereby imposed at a rate of thirty-four hundredths (.34) percent  
4 of [(1)] the payroll expense of every employer who engages in business  
5 within the MCTD [and (2) the net earnings from self-employment of indi-  
6 viduals that are attributable to the MCTD if such earnings attributable  
7 to the MCTD exceed ten thousand dollars for the tax year].

8 (b)[(1) An individual having net earnings from self-employment from  
9 activity both within and without the metropolitan commuter transporta-  
10 tion district is required to allocate and apportion such net earnings to  
11 the MCTD in the manner required for allocation and apportionment of  
12 income under article twenty-two of this chapter.

13 (2) In the case of individuals with earnings from self-employment, the  
14 net earnings from self employment threshold in paragraph two of  
15 subsection (a) of this section will be computed on an individual basis  
16 regardless of whether that individual filed a joint personal income tax  
17 return.

18 (c)] The determination of whether a covered employee is employed with-  
19 in the MCTD will be made by utilizing the rules applicable to the juris-  
20 diction of employment for purposes of the statewide wage reporting  
21 system under section one hundred seventy-one-a of this chapter and  
22 substituting the MCTD for the state in that application.

23 S 4. Subsection (b) of section 804 of the tax law is REPEALED.

24 S 5. This act shall take effect on the first of January next succeed-  
25 ing the date on which it shall have become a law.