

STATE OF NEW YORK

5168

2017-2018 Regular Sessions

IN SENATE

March 10, 2017

Introduced by Sen. LATIMER -- 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 the definition of employer for purposes of calculation of the metropolitan commuter transportation mobility tax

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 amended by
2 section 1 of part B of chapter 56 of the laws of 2011, paragraph 4 as
3 amended by section 1 of part YY of chapter 59 of the laws of 2015, is
4 amended to read as follows:

5 (b) Employer. Employer means an employer required by section six
6 hundred seventy-one of this chapter to deduct and withhold tax from
7 wages, that has a payroll expense in excess of [~~three~~] four hundred
8 [~~twelve~~] thirty-seven thousand five hundred dollars in any calendar
9 quarter; other than

10 (1) any agency or instrumentality of the United States;

11 (2) the United Nations;

12 (3) an interstate agency or public corporation created pursuant to an
13 agreement or compact with another state or the Dominion of Canada; or

14 (4) Any eligible educational institution. An "eligible educational
15 institution" shall mean any public school district, a board of cooper-
16 ative educational services, a public elementary or secondary school, a
17 school approved pursuant to article eighty-five or eighty-nine of the
18 education law to serve students with disabilities of school age, or a
19 nonpublic elementary or secondary school that provides instruction in
20 grade one or above, all public library systems as defined in subdivision
21 one of section two hundred seventy-two of the education law, and all
22 public and free association libraries as such terms are defined in
23 subdivision two of section two hundred fifty-three of the education law.

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

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§ 2. Subsection (a) of section 801 of the tax law, as amended by section 1 of part N of chapter 59 of the laws of 2012, is amended to read as follows:

(a) For the sole purpose of providing an additional stable and reliable dedicated funding source for the metropolitan transportation authority and its subsidiaries and affiliates to preserve, operate and improve essential transit and transportation services in the metropolitan commuter transportation district, a tax is hereby imposed on employers and individuals as follows: (1) For employers who engage in business within the MCTD, the tax is imposed at a rate of [~~(A) eleven hundredths (.11) percent of the payroll expense for employers with payroll expense no greater than three hundred seventy five thousand dollars in any calendar quarter, (B) twenty-three hundredths (.23) percent of the payroll expense for employers with payroll expense greater than three hundred seventy five thousand dollars and no greater than four hundred thirty seven thousand five hundred dollars in any calendar quarter, and (C)~~] thirty-four hundredths (.34) percent of the payroll expense for employers with payroll expense in excess of four hundred thirty-seven thousand five hundred dollars in any calendar quarter. If the employer is a professional employer organization, as defined in section nine hundred sixteen of the labor law, the employer's tax shall be calculated by determining the payroll expense attributable to each client who has entered into a professional employer agreement with such organization and the payroll expense attributable to such organization itself, multiplying each of those payroll expense amounts by the applicable rate set forth in this paragraph and adding those products together. (2) For individuals, the tax is imposed at a rate of thirty-four hundredths (.34) percent of the net earnings from self-employment of individuals that are attributable to the MCTD if such earnings attributable to the MCTD exceed [~~fifty~~] one hundred thousand dollars for the tax year.

§ 3. This act shall take effect on the first of April next succeeding the date on which it shall have become a law.