S T A T E   O F   N E W   Y O R K

9450--A

I N A S S E M B L Y

(PREFILED)

January 6, 2010

Introduced by M. of A. THIELE -- Multi-Sponsored by -- M. of A. ENGLEBRIGHT -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to the rate of the metropolitan commuter transportation mobility tax; to amend chapter 25 of the laws of 2009, amending the tax law and the administrative code of the city of New York relating to the metropolitan commuter transportation mobility tax, and the education law, in relation to the imposition of such tax upon and reimbursement thereof to public and private elementary and secondary schools

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

Section 1. Subsection (a) of section 801 of the tax law, as added by section 1 of part C of chapter 25 of the laws of 2009, 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 at a rate of [thirty-four hundredths (.34)]: .34 percent FOR THE CITY OF NEW YORK; .093 PERCENT FOR THE COUNTIES OF DUTCHESS, ORANGE, PUTNAM, SUFFOLK AND ROCKLAND; AND .2265 PERCENT FOR THE COUNTIES OF NASSAU AND WESTCHESTER of (1) the payroll expense of every employer who engages in business within the MCTD and (2) the net earnings from self-employment of individuals that are attributable to the MCTD if such earnings attributable to the MCTD exceed [ten] ONE HUNDRED thousand dollars for the tax year.

S 2. Paragraph (i) of subdivision (a) of section 23 of part C of chapter 25 of the laws of 2009, amending the tax law and the administrative code of the city of New York relating to the metropolitan commuter transportation mobility tax, is amended to read as follows:

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

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(i) imposed on employers, shall apply on and after March 1, 2009, provided however, that the tax shall apply to public school districts, AND ALL NON PUBLIC AND PRIVATE ELEMENTARY AND SECONDARY SCHOOLS within the metropolitan commuter transportation district (MCTD) on and after September 1, 2009 and

S 3. Section 3609-g of the education law, as added by section 1 of part D of chapter 25 of the laws of 2009, is amended to read as follows:

S 3609-g. Moneys apportioned to school districts AND SCHOOLS for reimbursement of article twenty-three of the tax law payments commencing in the 2009-2010 school year. Notwithstanding any other provision of law to the contrary, school districts AND SCHOOLS shall be reimbursed for payments made pursuant to article twenty-three of the tax law pursuant to this section.

1. Definition. As used in this section the following term shall be defined as follows: "School district" shall mean a public school district [and shall not include], a special act school district as defined in section four thousand one of this chapter AND BOARDS OF COOPERATIVE EDUCATIONAL SERVICES (BOCES). "SCHOOLS" SHALL MEAN APPROVED PRIVATE SCHOOLS FOR STUDENTS OF SCHOOL AGE WHICH RECEIVE FUNDING SUBJECT TO THE PROVISIONS OF ARTICLE EIGHTY-NINE OF THIS CHAPTER AND STATE FUNDED PRIVATE SCHOOLS AND INSTITUTIONS FOR THE BLIND AND DEAF FUNDED AND OPERATED PURSUANT TO ARTICLE EIGHTY-FIVE OF THIS CHAPTER.

2. Prescribed payments. On or after the first business day of June of each school year, commencing June first, two thousand ten, a school district OR SCHOOL shall be paid an amount equal to one hundred percent of the payments made by a school district OR SCHOOL on or after [May] MARCH first of the prior school year and before [May] MARCH first of the current school year to the commissioner of taxation and finance pursuant to article twenty-three of the tax law. No payment may be made pursuant to this subdivision until such amount for each school district is certified by the commissioner of taxation and finance and transmitted to the commissioner. Such certification shall be made on or before [May] MARCH thirty-first so as to facilitate payments to be made pursuant to this section.

3. (a) Moneys paid pursuant to this section shall be payable to the treasurer of each city school district, and the treasurer of each union free school district and of each central school district and of each other school district, if there be a treasurer, otherwise to the collector or other disbursing officer of such district, who shall apply for and receive the same as soon as payable.

(b) In the case of city school districts of the cities with one hundred twenty-five thousand inhabitants or more, any payment which pursuant to this section is required to be made to the treasurer of the city school district, shall be made to the city treasurer or chamberlain.

(C) IN THE CASE OF A SCHOOL, ANY MONIES PAID PURSUANT TO THIS SECTION SHALL BE MADE TO THE OFFICE OR OFFICER RESPONSIBLE FOR THE RECEIPT OF OTHER STATE AND LOCAL FUNDS USED FOR STUDENT EXPENSES.

4. Any payment to a school district OR SCHOOL pursuant to this section shall be general receipts of the district OR SCHOOL and may be used for any lawful purpose of the district OR SCHOOL.

5. It is the intent of the governor to submit and the legislature to enact for each fiscal year after the two thousand nine--two thousand ten fiscal year in an annual budget bill an appropriation in the amount to be paid to school districts AND SCHOOLS pursuant to this section.

S 4. This act shall take effect immediately, provided that section one of this act shall be deemed to have been in full force and effect on and after January 1, 2010; and provided further that section two of this act shall be deemed to have been in full force and effect on and after May 7, 2009.