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

11631

I N A S S E M B L Y

July 6, 2010

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Fields) -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law and 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, in relation to the exemption of school districts operating within the metropolitan commuter transportation district from the metropolitan commuter transportation mobility tax; and to repeal part D of chapter 25 of the laws of 2009, amending the education law relating to certain moneys apportioned to school districts for reimbursement of article twenty-three of the tax law payments, relating thereto

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) percent 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 thousand dollars for the tax year. THIS SECTION SHALL NOT APPLY TO ANY SCHOOL DISTRICT OPERATING WITHIN THE MCTD.

S 2. Subsection (a) of section 804 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) Employers with payroll expense. The tax imposed on the payroll expense of employers under section eight hundred one of this article for each calendar quarter must be paid quarterly at the same time as the statewide wage reporting system report is required under section one

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

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hundred seventy-one-a of this chapter; provided however, that employers subject to section nine of this chapter [other than school districts as defined in section thirty-six hundred nine-g of the education law] must pay the tax on the payroll expense at the same time as the withholding tax remitted under the electronic payment reporting system and the electronic funds transfer system authorized by section nine of this chapter.

S 3. 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:

(a) the metropolitan commuter transportation mobility tax enacted pursuant to section one of this act that is (i) imposed on employers, shall apply on and after March 1, 2009[, provided however, that the tax shall apply to public school districts within the metropolitan commuter transportation district (MCTD) on and after September 1, 2009] and (ii) imposed on individuals with net earnings from self-employment for tax years beginning on or after January 1, 2009, but the individual's tax liability for the 2009 tax year will be based only on ten-twelfths of such net earnings for the 2009 tax year;

S 4. Part D of chapter 25 of the laws of 2009, amending the education law relating to certain moneys apportioned to school districts for reimbursement of article twenty-three of the tax law payments, is REPEALED.

S 5. This act shall take effect immediately.