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

2826

2011-2012 Regular Sessions

I N A S S E M B L Y

January 20, 2011

Introduced by M. of A. CALHOUN, CONTE, THIELE, McDONOUGH, JAFFEE -- Multi-Sponsored by -- M. of A. BOYLE, CROUCH, KOLB, TOWNS -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to the MTA payroll tax and net earnings from self-employment; 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:

Section 1. Subdivision (e) of section 800 of the tax law is REPEALED.

S 2. 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:

S 801. Imposition of tax and rate. (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].

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

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

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

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

S 3. Subdivision (b) of section 804 of the tax law is REPEALED.

S 4. This act shall take effect immediately.