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

3888

2013-2014 Regular Sessions

I N S E N A T E

February 26, 2013

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 reducing and eliminating the metropolitan commuter transportation mobility tax on hospitals and not-for-profit corporations; and providing for the repeal of certain provisions upon the expiration thereof

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

Section 1. Paragraphs 3 and 4 of subsection (b) of section 800 of the tax law, paragraph 3 as amended and paragraph 4 as added by section 1 of part B of chapter 56 of the laws of 2011, are amended and two new paragraphs 5 and 6 are added to read as follows:

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

(4) [Any] ANY eligible educational institution. [An "eligible] "ELIGIBLE educational institution" shall mean any public school district, a board of cooperative educational services, a public elementary or secondary school, a school approved pursuant to article eighty-five or eighty-nine of the education law to serve students with disabilities of school age, or a nonpublic elementary or secondary school that provides instruction in grade one or above[.];

(5) ANY HOSPITAL, AS DEFINED IN ARTICLE TWENTY-EIGHT OF THE PUBLIC HEALTH LAW; OR

(6) ANY NOT-FOR-PROFIT CORPORATION.

S 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) (1) 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

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

LBD07334-01-3

improve essential transit and transportation services in the metropolitan commuter transportation district, a tax is hereby imposed on employers and individuals as follows: [(1)] (I) 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)] (II) 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 thousand dollars for the tax year.

(2) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH ONE OF THIS SUBSECTION, A TAX IS HEREBY IMPOSED ON EMPLOYERS WHICH ARE HOSPITALS, AS DEFINED IN ARTICLE TWENTY-EIGHT OF THE PUBLIC HEALTH LAW, OR NOT-FOR-PROFIT CORPORATIONS AND WHICH ENGAGE IN BUSINESS WITHIN THE MCTD AT A RATE OF (I) ON AND AFTER JANUARY FIRST, TWO THOUSAND FOURTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN, TWENTY-THREE HUNDREDTHS (.23) PERCENT; AND (II) ON AND AFTER JANUARY FIRST, TWO THOUSAND FIFTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, TWELVE HUNDREDTHS (.12) PERCENT.

S 3. This act shall take effect immediately; except that section one of this act shall take effect January 1, 2016, when upon such date section two of this act shall expire and be deemed repealed.