

STATE OF NEW YORK

8956

IN ASSEMBLY

January 9, 2018

Introduced by M. of A. O'DONNELL -- read once and referred to the
Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to providing for the appointment of an emergency manager for the metropolitan transportation authority, and providing for his or her powers and duties; to amend the tax law, in relation to establishing personal income tax rates and a tax table benefit recapture for taxpayers who reside in the metropolitan commuter transportation district; to direct the comptroller to transfer moneys in the general fund to the MTA financial assistance fund; and providing for the repeal of certain provisions upon expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as
2 the "better trains, better cities act of 2017".

3 § 2. The public authorities law is amended by adding a new section
4 1263-a to read as follows:

5 § 1263-a. Emergency manager. 1. There is hereby established the office
6 of emergency manager of the authority. Such manager shall oversee the
7 authority, and implement the plan established by the emergency manager
8 submitted to each house of the legislature during the course of the
9 confirmation of the emergency manager.

10 2. The emergency manager of the authority shall be appointed by the
11 governor, subject to separate confirmation by each of the houses of the
12 legislature. Such confirmations shall be completed within ninety days of
13 the effective date of this section; provided, however, that upon nomi-
14 nation by the governor, each nominee for emergency manager shall develop
15 and submit to the legislature, prior to his or her confirmation, a plan
16 outlining how the nominee, if confirmed, will expedite repairs to
17 authority facilities and equipment, expand capacity, and ensure the
18 reliability and safety of the authority facilities and equipment and the
19 services provided thereby. No nominee shall be confirmed until such plan
20 shall have been received and reviewed by each house of the legislature.

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

AA

LBD13277-05-7

3. The emergency manager shall have all the powers of the board of the authority as they relate to expediting repairs to authority facilities and equipment, expanding capacity, and ensuring reliability and safety of the authority facilities and equipment and services provided thereby, and shall implement the plan he or she submitted to the legislature. The emergency manager's authority to implement his or her plan shall supersede the authority of the board of the authority, unless such board shall by a vote of ten voting members thereof overrides a specific action of the emergency manager.

§ 3. Clauses (i), (ii) and (iii) of subparagraph (B) of paragraph 1 of subsection (a) of section 601 of the tax law, as added by section 1 of part R of chapter 59 of the laws of 2017, are amended to read as follows:

(i) For taxable years beginning in two thousand eighteen the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:	The tax is:
Not over \$17,150	4% of the New York taxable income
Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over \$17,150
Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over \$23,600
Over \$27,900 but not over \$43,000	\$1,202 plus 5.9% of excess over \$27,900
Over \$43,000 but not over \$161,550	\$2,093 plus 6.33% of excess over \$43,000
Over \$161,550 but not over \$323,200	\$9,597 plus 6.57% of excess over \$161,550
Over \$323,200 but not over \$2,155,350	\$20,218 plus 6.85% of excess over \$323,200
Over \$2,155,350	\$145,720 plus 8.82% of excess over \$2,155,350

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

<u>If the New York taxable income is:</u>	<u>The tax is:</u>
<u>Not over \$17,150</u>	<u>4% of the New York taxable income</u>
<u>Over \$17,150 but not over \$23,600</u>	<u>\$686 plus 4.5% of excess over \$17,150</u>
<u>Over \$23,600 but not over \$27,900</u>	<u>\$976 plus 5.25% of excess over \$23,600</u>
<u>Over \$27,900 but not over \$43,000</u>	<u>\$1,202 plus 5.9% of excess over \$27,900</u>
<u>Over \$43,000 but not over \$161,550</u>	<u>\$2,093 plus 6.21% of excess over \$43,000</u>
<u>Over \$161,550 but not over \$323,200</u>	<u>\$9,597 plus 6.57% of excess over \$161,550</u>
<u>Over \$323,200 but not over \$2,000,000</u>	<u>\$20,218 plus 6.85% of excess over \$323,200</u>
<u>Over \$2,000,000 but not over \$6,000,000</u>	<u>\$135,079 plus 8.98% of excess over \$2,000,000</u>
<u>Over \$6,000,000 but not over</u>	<u>\$494,279 plus 9.08% of excess</u>

<u>\$11,000,000</u>	<u>over \$6,000,000</u>
<u>Over \$11,000,000</u>	<u>\$948,279 plus 9.28% of excess</u>
	<u>over \$11,000,000</u>

(ii) For taxable years beginning in two thousand nineteen the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

Not over \$17,150	4% of the New York taxable income
Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over \$17,150
Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over \$23,600
Over \$43,000 but not over \$161,550	\$2,093 plus 6.21% of excess over \$43,000
Over \$161,550 but not over \$323,200	\$9,455 plus 6.49% of excess over \$161,550
Over \$323,200 but not over \$2,155,350	\$19,946 plus 6.85% of excess over \$323,200
Over \$2,155,350	\$145,448 plus 8.82% of excess over \$2,155,350

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to the section twelve hundred sixty-two of the public authorities law:

<u>Not over \$17,150</u>	<u>4% of the New York taxable income</u>
<u>Over \$17,150 but not over \$23,600</u>	<u>\$686 plus 4.5% of excess over \$17,150</u>
<u>Over \$23,600 but not over \$27,900</u>	<u>\$976 plus 5.25% of excess over \$23,600</u>
<u>Over \$27,900 but not over \$43,000</u>	<u>\$1,202 plus 5.9% of excess over \$27,900</u>
<u>Over \$43,000 but not over \$161,550</u>	<u>\$2,093 plus 6.21% of excess over \$43,000</u>
<u>Over \$161,550 but not over \$323,200</u>	<u>\$9,455 plus 6.49% of excess over \$161,550</u>
<u>Over \$323,200 but not over \$2,000,000</u>	<u>\$19,946 plus 6.85% of excess over \$323,200</u>
<u>Over \$2,000,000 but not over \$6,000,000</u>	<u>\$134,807 plus 8.98% of excess over 2,000,000</u>
<u>Over \$6,000,000 but not over \$11,000,000</u>	<u>\$494,007 plus 9.08% of excess over \$6,000,000</u>
<u>Over \$11,000,000</u>	<u>\$948,000 plus 9.28% over \$11,000,000</u>

(iii) For taxable years beginning in two thousand twenty the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:	The tax is:
Not over \$17,150	4% of the New York taxable income
Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over \$17,150
Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over

	\$23,600
Over \$27,900 but not over \$43,000	\$1,202 plus 5.9% of excess over \$27,900
Over \$43,000 but not over \$161,550	\$2,093 plus 6.09% of excess over \$43,000
Over \$161,550 but not over \$323,200	\$9,313 plus 6.41% of excess over \$161,550
Over \$323,200	\$19,674 plus 6.85% of excess over \$323,200

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

<u>If the New York taxable income is:</u>	<u>The tax is:</u>
<u>Not over \$17,150</u>	<u>4% of the New York taxable income</u>
<u>Over \$17,150 but not over \$23,600</u>	<u>\$686 plus 4.5% of excess over \$17,150</u>
<u>Over \$23,600 but not over \$27,900</u>	<u>\$976 plus 5.25% of excess over \$23,600</u>
<u>Over \$27,900 but not over \$43,000</u>	<u>\$1,202 plus 5.9% of excess over \$27,900</u>
<u>Over \$43,000 but not over \$161,550</u>	<u>\$2,093 plus 6.09% of excess over \$43,000</u>
<u>Over \$161,550 but not over \$323,200</u>	<u>\$9,313 plus 6.41% of excess over \$161,550</u>
<u>Over \$323,200 but not over \$2,000,000</u>	<u>\$19,674 plus 6.85% of excess over \$323,200</u>
<u>Over \$2,000,000 but not over \$6,000,000</u>	<u>\$134,535 plus 8.98% of excess over \$2,000,000</u>
<u>Over \$6,000,000 but not over \$11,000,000</u>	<u>\$493,735 plus 9.08% of excess over \$6,000,000</u>
<u>Over \$11,000,000</u>	<u>\$947,735 plus 9.28% of excess over \$11,000,000</u>

§ 4. Clauses (i), (ii) and (iii) of subparagraph (B) of paragraph 1 of subsection (b) of section 601 of the tax law, as added by section 2 of part R of chapter 59 of the laws of 2017, are amended to read as follows:

(i) For taxable years beginning in two thousand eighteen the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

<u>If the New York taxable income is:</u>	<u>The tax is:</u>
<u>Not over \$12,800</u>	<u>4% of the New York taxable income</u>
<u>Over \$12,800 but not over \$17,650</u>	<u>\$512 plus 4.5% of excess over \$12,800</u>
<u>Over \$17,650 but not over \$20,900</u>	<u>\$730 plus 5.25% of excess over \$17,650</u>
<u>Over \$20,900 but not over \$32,200</u>	<u>\$901 plus 5.9% of excess over \$20,900</u>
<u>Over \$32,200 but not over \$107,650</u>	<u>\$1,568 plus 6.33% of excess over \$32,200</u>
<u>Over \$107,650 but not over \$269,300</u>	<u>\$6,344 plus 6.57% of excess over \$107,650</u>
<u>Over \$269,300 but not over \$1,616,450</u>	<u>\$16,964 plus 6.85% of excess over \$269,300</u>
<u>Over \$1,616,450</u>	<u>\$109,244 plus 8.82% of excess over \$1,616,450</u>

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to the section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:

The tax is:

<u>Not over \$12,800</u>	<u>4% of the New York taxable income</u>
<u>Over \$12,800 but not over \$17,650</u>	<u>\$512 plus 4.5% of excess over \$12,800</u>
<u>Over \$17,650 but not over \$20,900</u>	<u>\$730 plus 5.25% of excess over \$17,650</u>
<u>Over \$20,900 but not over \$32,200</u>	<u>\$901 plus 5.9% of excess over \$20,900</u>
<u>Over \$32,200 but not over \$107,650</u>	<u>\$1,568 plus 6.33% of excess over \$32,200</u>
<u>Over \$107,650 but not over \$269,300</u>	<u>\$6,344 plus 6.57% of excess over \$107,650</u>
<u>Over \$269,300 but not over \$1,605,650</u>	<u>\$16,964 plus 6.85% of excess over \$269,300</u>
<u>Over \$1,605,650 but not over \$5,500,000</u>	<u>\$108,504 plus 8.98% of excess over \$1,605,650</u>
<u>Over \$5,500,000 but not over \$10,500,000</u>	<u>\$458,217 plus 9.08% of excess over \$5,500,000</u>
<u>Over \$10,500,000</u>	<u>\$912,217 plus 9.28% of excess over \$10,500,000</u>

(ii) For taxable years beginning in two thousand nineteen the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:

The tax is:

<u>Not over \$12,800</u>	<u>4% of the New York taxable income</u>
<u>Over \$12,800 but not over \$17,650</u>	<u>\$512 plus 4.5% of excess over \$12,800</u>
<u>Over \$17,650 but not over \$20,900</u>	<u>\$730 plus 5.25% of excess over \$17,650</u>
<u>Over \$20,900 but not over \$32,200</u>	<u>\$901 plus 5.9% of excess over \$20,900</u>
<u>Over \$32,200 but not over \$107,650</u>	<u>\$1,568 plus 6.21% of excess over \$32,200</u>
<u>Over \$107,650 but not over \$269,300</u>	<u>\$6,253 plus 6.49% of excess over \$107,650</u>
<u>Over \$269,300 but not over \$1,616,450</u>	<u>\$16,744 plus 6.85% of excess over \$269,300</u>
<u>Over \$1,616,450</u>	<u>\$109,024 plus 8.82% of excess over \$1,616,450</u>

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to the section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:

The tax is:

<u>Not over \$12,800</u>	<u>4% of the New York taxable income</u>
<u>Over \$12,800 but not over \$17,650</u>	<u>\$512 plus 4.5% of excess over \$12,800</u>
<u>Over \$17,650 but not over \$20,900</u>	<u>\$730 plus 5.25% of excess over \$17,650</u>
<u>Over \$20,900 but not over \$32,200</u>	<u>\$901 plus 5.9% of excess over \$20,900</u>
<u>Over \$32,200 but not over \$107,650</u>	<u>\$1,568 plus 6.21% of excess over \$32,200</u>
<u>Over \$107,650 but not over \$269,300</u>	<u>\$6,253 plus 6.49% of excess over \$107,650</u>
<u>Over \$269,300 but not over \$1,605,650</u>	<u>\$16,744 plus 6.85% of excess over \$269,300</u>
<u>Over \$1,605,650 but not over</u>	<u>\$108,284 plus 8.98% of excess over</u>

<u>\$5,500,000</u>	<u>\$1,605,650</u>
<u>Over \$5,500,000 but not over</u>	<u>\$457,997 plus 9.08% of excess over</u>
<u>\$10,500,000</u>	<u>\$5,500,000</u>
<u>Over \$10,500,000</u>	<u>\$911,997 plus 9.28% of excess over</u>
	<u>\$10,500,000</u>

(iii) For taxable years beginning in two thousand twenty the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:	The tax is:
Not over \$12,800	4% of the New York taxable income
Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over \$12,800
Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
	\$17,650
Over \$20,900 but not over \$32,200	\$901 plus 5.9% of excess over \$20,900
Over \$32,200 but not over \$107,650	\$1,568 plus 6.09% of excess over
	\$32,200
Over \$107,650 but not over \$269,300	\$6,162 plus 6.41% of excess over
	\$107,650
Over \$269,300	\$16,524 plus 6.85% of excess over
	\$269,300

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

<u>If the New York taxable income is:</u>	<u>The tax is:</u>
<u>Not over \$12,800</u>	<u>4% of the New York taxable income</u>
<u>Over \$12,800 but not over \$17,650</u>	<u>\$512 plus 4.5% of excess over \$12,800</u>
<u>Over \$17,650 but not over \$20,900</u>	<u>\$730 plus 5.25% of excess over</u>
	<u>\$17,650</u>
<u>Over \$20,900 but not over \$32,200</u>	<u>\$901 plus 5.9% of excess over \$20,900</u>
<u>Over \$32,200 but not over \$107,650</u>	<u>\$1,568 plus 6.09% of excess over</u>
	<u>\$32,200</u>
<u>Over \$107,650 but not over \$269,300</u>	<u>\$6,162 plus 6.41% of excess over</u>
	<u>\$107,650</u>
<u>Over \$269,300 but not over</u>	<u>\$16,524 plus 6.85% of excess over</u>
<u>\$1,605,650</u>	<u>\$269,300</u>
<u>Over \$1,605,650 but not over</u>	<u>\$108,064 plus 8.98% of excess</u>
<u>\$5,500,000</u>	<u>over \$1,605,650</u>
<u>Over \$5,500,000 but not over</u>	<u>\$457,777 plus 9.08% of excess</u>
<u>\$10,500,000</u>	<u>over \$5,500,000</u>
<u>Over \$10,500,000</u>	<u>\$911,777 plus 9.28% of excess</u>
	<u>over \$10,500,000</u>

§ 5. Clauses (i), (ii) and (iii) of subparagraph (B) of paragraph 1 of subsection (c) of section 601 of the tax law, as added by section 3 of part R of chapter 59 of the laws of 2017, are amended to read as follows:

(i) For taxable years beginning in two thousand eighteen the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:	The tax is:
Not over \$8,500	4% of the New York taxable income
Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over

1		\$8,500
2	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
3		\$11,700
4	Over \$13,900 but not over \$21,400	\$600 plus 5.9% of excess over
5		\$13,900
6	Over \$21,400 but not over \$80,650	\$1,042 plus 6.33% of excess over
7		\$21,400
8	Over \$80,650 but not over \$215,400	\$4,793 plus 6.57% of excess over
9		\$80,650
10	Over \$215,400 but not over \$1,077,550	\$13,646 plus 6.85% of excess over
11		\$215,400
12	Over \$1,077,550	\$72,703 plus 8.82% of excess over
13		\$1,077,550

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

17	<u>If the New York taxable income is:</u>	<u>The tax is:</u>
18	<u>Not over \$8,500</u>	<u>4% of the New York taxable income</u>
19	<u>Over \$8,500 but not over \$11,700</u>	<u>\$340 plus 4.5% of excess over</u>
20		<u>\$8,500</u>
21	<u>Over \$11,700 but not over \$13,900</u>	<u>\$484 plus 5.25% of excess over</u>
22		<u>\$11,700</u>
23	<u>Over \$13,900 but not over \$21,400</u>	<u>\$600 plus 5.9% of excess over</u>
24		<u>\$13,900</u>
25	<u>Over \$21,400 but not over \$80,650</u>	<u>\$1,042 plus 6.33% of excess over</u>
26		<u>\$21,400</u>
27	<u>Over \$80,650 but not over \$215,400</u>	<u>\$4,793 plus 6.57% of excess over</u>
28		<u>\$80,650</u>
29	<u>Over \$215,400 but not over</u>	<u>\$13,646 plus 6.85% of excess over</u>
30	<u>\$1,070,350</u>	<u>\$215,400</u>
31	<u>Over \$1,070,350 but not over</u>	<u>\$72,210 plus 8.98% of excess over</u>
32	<u>\$5,000,000</u>	<u>\$1,070,350</u>
33	<u>Over \$5,000,000 but not over</u>	<u>\$425,093 plus 9.08% of excess over</u>
34	<u>\$10,000,000</u>	<u>\$5,000,000</u>
35	<u>Over \$10,000,000</u>	<u>\$879,093 plus 9.28% of excess over</u>
36		<u>\$10,000,000</u>

(ii) For taxable years beginning in two thousand nineteen the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty two of the public authorities law:

42	If the New York taxable income is:	The tax is:
43	Not over \$8,500	4% of the New York taxable income
44	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
45		\$8,500
46	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
47		\$11,700
48	Over \$13,900 but not over \$21,400	\$600 plus 5.9% of excess over
49		\$13,900
50	Over \$21,400 but not over \$80,650	\$1,042 plus 6.21% of excess over
51		\$21,400
52	Over \$80,650 but not over \$215,400	\$4,721 plus 6.49% of excess over
53		\$80,650
54	Over \$215,400 but not over	\$13,467 plus 6.85% of excess over
55	\$1,077,550	\$215,400
56	Over \$1,077,550	\$72,524 plus 8.82% of excess over

\$1,077,550

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:

The tax is:

Not over \$8,500

4% of the New York taxable income

Over \$8,500 but not over \$11,700

\$340 plus 4.5% of excess over

\$8,500

Over \$11,700 but not over \$13,900

\$484 plus 5.25% of excess over

\$11,700

Over \$13,900 but not over \$21,400

\$600 plus 5.9% of excess over

\$13,900

Over \$21,400 but not over \$80,650

\$1,042 plus 6.21% of excess over

\$21,400

Over \$80,650 but not over \$215,400

\$4,721 plus 6.49% of excess over

\$80,650

Over \$215,400 but not over

\$13,467 plus 6.85% of excess over

\$1,070,350

\$215,400

Over \$1,070,350 but not over

\$72,031 plus 8.98% of excess over

5,000,000

\$1,070,350

Over \$5,000,000 but not over

\$424,914 plus 9.08% of excess over

\$10,000,000

\$5,000,000

Over \$10,000,000

\$878,914 plus 9.28% of excess over

\$10,000,000

(iii) For taxable years beginning in two thousand twenty the following rates shall apply:

1. For taxpayers who reside outside of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:

The tax is:

Not over \$8,500

4% of the New York taxable income

Over \$8,500 but not over \$11,700

\$340 plus 4.5% of excess over

\$8,500

Over \$11,700 but not over \$13,900

\$484 plus 5.25% of excess over

\$11,700

Over \$13,900 but not over \$21,400

\$600 plus 5.9% of excess over

\$13,900

Over \$21,400 but not over \$80,650

\$1,042 plus 6.09% of excess over

\$21,400

Over \$80,650 but not over \$215,400

\$4,650 plus 6.41% of excess over

\$80,650

Over \$215,400

\$13,288 plus 6.85% of excess over

\$215,400

2. For taxpayers who resided within the metropolitan commuter transportation district created and established pursuant to the section twelve hundred sixty-two of the public authorities law:

If the New York taxable income is:

The tax is:

Not over \$8,500

4% of the New York taxable income

Over \$8,500 but not over \$11,700

\$340 plus 4.5% of excess over

\$8,500

Over \$11,700 but not over \$13,900

\$484 plus 5.25% of excess over

\$11,700

Over \$13,900 but not over \$21,400

\$600 plus 5.9% of excess over

\$13,900

Over \$21,400 but not over \$80,650

\$1,042 plus 6.09% of excess over

1		<u>\$21,400</u>
2	<u>Over \$80,650 but not over \$215,400</u>	<u>\$4,650 plus 6.41% of excess over</u>
3		<u>\$80,650</u>
4	<u>Over \$215,400 but not over</u>	<u>\$13,288 plus 6.85% of excess over</u>
5	<u>\$1,070,350</u>	<u>\$215,400</u>
6	<u>Over \$1,070,350 but not over</u>	<u>\$71,852 plus 8.98% of excess over</u>
7	<u>\$5,000,000</u>	<u>\$1,070,350</u>
8	<u>Over \$5,000,000 but not over</u>	<u>\$424,735 plus 9.08% of excess over</u>
9	<u>\$10,000,000</u>	<u>\$5,000,000</u>
10	<u>Over \$10,000,000</u>	<u>\$878,735 plus 9.28% of excess over</u>
11		<u>\$10,000,000</u>

12 § 6. Section 601 of the tax law is amended by adding a new subsection
 13 (d-2) to read as follows:

14 (d-2) Alternative tax table benefit recapture in metropolitan commuter
 15 transportation district. For taxable years beginning on or after Janu-
 16 ary first, two thousand eighteen and before January first, two thousand
 17 twenty-one for a taxpayer residing in the metropolitan commuter trans-
 18 portation district created and established pursuant to section twelve
 19 hundred sixty-two of the public authorities law whose New York taxable
 20 income is over \$2,000,000 if the taxpayer is married filing jointly,
 21 over \$1,605,650 if the taxpayer is a head of household, or over
 22 \$1,070,350 if the taxpayer files singly, there is hereby imposed a
 23 supplemental tax in addition to the tax imposed under subsections (a),
 24 (b) and (c) of this section for the purpose of recapturing the benefit
 25 of the tax tables contained in such subsections. During these taxable
 26 years, any reference in this chapter to subsection (d) of this section
 27 shall be read as a reference to this subsection.

28 (1) For such resident married individuals filing joint returns and
 29 resident surviving spouses, the supplemental tax shall be an amount
 30 equal to the sum of the tax table benefits described in subparagraphs
 31 (A), (B) and (C) of this paragraph multiplied by their respective frac-
 32 tions in such subparagraphs.

33 (A) The tax table benefit is the difference between (i) the amount of
 34 taxable income set forth in the tax table in item two of clause (i),
 35 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (a) of
 36 this section not subject to the 8.98 percent rate of tax for the taxable
 37 year multiplied by such rate and (ii) the dollar denominated tax for
 38 such amount of taxable income set forth in the tax table applicable to
 39 the taxable year in item one of clause (i), (ii) or (iii) of subpara-
 40 graph (B) of paragraph one of subsection (a) of this section less the
 41 sum of tax table benefits in subparagraphs (A), (B) and (C) of paragraph
 42 one of subsection (d-1) of this section. The fraction for this subpara-
 43 graph is computed as follows: the numerator is the lesser of fifty thou-
 44 sand dollars or the excess of New York adjusted gross income for the
 45 taxable year over two million dollars and the denominator is fifty thou-
 46 sand dollars.

47 (B) The tax table benefit is the difference between (i) the amount of
 48 taxable income set forth in the tax table in item two of clause (i),
 49 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (a) of
 50 this section not subject to the 9.08 percent rate of tax for the taxable
 51 year multiplied by such rate and (ii) the dollar denominated tax for
 52 such amount of taxable income set forth in the tax table applicable to
 53 the taxable year in item one of clause (i), (ii) or (iii) of subpara-
 54 graph (B) of paragraph one of subsection (a) of this section less the
 55 sum of the tax table benefits in subparagraphs (A), (B) and (C) of para-
 56 graph one of subsection (d-1) of this section and such tax table benefit

1 in subparagraph (A) of this paragraph. The fraction for this subpara-
2 graph is computed as follows: the numerator is the lesser of fifty thou-
3 sand dollars or the excess of New York adjusted gross income for the
4 taxable year over six million dollars and the denominator is fifty thou-
5 sand dollars. Provided, however, this subparagraph shall not apply to
6 taxpayers who are not subject to the 9.08 percent tax rate.

7 (C) The tax table benefit is the difference between (i) the amount of
8 taxable income set forth in the tax table in item two of clause (i),
9 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (a) of
10 this section not subject to the 9.28 percent rate of tax for the taxable
11 year multiplied by such rate and (ii) the dollar denominated tax for
12 such amount of taxable income set forth in the tax table applicable to
13 the taxable year in item one of clause (i), (ii) or (iii) of paragraph
14 (B) of paragraph one of subsection (a) of this section less the sum of
15 the tax table benefits in subparagraphs (A), (B) and (C) of paragraph
16 one of subsection (d-1) of this section and such tax table benefits in
17 subparagraphs (A) and (B) of this paragraph. The fraction for this
18 subparagraph is computed as follows: the numerator is the lesser of
19 fifty thousand dollars or the excess of New York adjusted gross income
20 for the taxable year over eleven million dollars and the denominator is
21 fifty thousand dollars. Provided, however, this subparagraph shall not
22 apply to taxpayers who are not subject to the 9.28 percent tax rate.

23 (D) Provided, however, the total tax prior to the application of any
24 tax credits shall not exceed the highest rate of tax set forth in the
25 tax tables in subsection (a) of this section multiplied by the taxpay-
26 er's taxable income.

27 (2) For such resident heads of households, the supplemental tax shall
28 be an amount equal to the sum of the tax table benefits described in
29 subparagraphs (A), (B) and (C) of this paragraph multiplied by their
30 respective fractions in such subparagraphs.

31 (A) The tax table benefit is the difference between (i) the amount of
32 taxable income set forth in the tax table in item two of clause (i),
33 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (b) of
34 this section not subject to the 8.98 percent rate of tax for the taxable
35 year multiplied by such rate and (ii) the dollar denominated tax for
36 such amount of taxable income set forth in the tax table applicable to
37 the taxable year in item one of clause (i), (ii) or (iii) of subpara-
38 graph (B) of paragraph one of subsection (b) of this section less the
39 sum of the tax table benefits in subparagraphs (A) and (B) of paragraph
40 two of subsection (d-1) of this section. The fraction for this subpara-
41 graph is computed as follows: the numerator is the lesser of fifty thou-
42 sand dollars or the excess of New York adjusted gross income for the
43 taxable year over one million six hundred five thousand six hundred
44 fifty dollars and the denominator is fifty thousand dollars.

45 (B) The tax table benefit is the difference between (i) the amount of
46 taxable income set forth in the tax table in item two of clause (i),
47 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (b) of
48 this section not subject to the 9.08 percent rate of tax for the taxable
49 year multiplied by such rate and (ii) the dollar denominated tax for
50 such amount of taxable income set forth in the tax table applicable to
51 the taxable year in item one of clause (i), (ii) or (iii) of subpara-
52 graph (B) of paragraph one of subsection (b) of this section less the
53 sum of the tax table benefits in subparagraphs (A) and (B) of paragraph
54 two of subsection (d-1) of this section and such tax table benefit in
55 subparagraph (A) of this paragraph. The fraction for this subparagraph
56 is computed as follows: the numerator is the lesser of fifty thousand

1 dollars or the excess of New York adjusted gross income for the taxable
2 year over five million five hundred thousand dollars and the denominator
3 is fifty thousand dollars. Provided, however, this subparagraph shall
4 not apply to taxpayers who are not subject to the 9.08 percent tax rate.

5 (C) The tax table benefit is the difference between (i) the amount of
6 taxable income set forth in the tax table in item two of clause (i),
7 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (b) of
8 this section not subject to the 9.28 percent rate of tax for the taxable
9 year multiplied by such rate and (ii) the dollar denominated tax for
10 such amount of taxable income set forth in the tax table applicable to
11 the taxable year in item one of clause (i), (ii) or (iii) of subpara-
12 graph (B) of paragraph one of subsection (b) of this section less the
13 sum of the tax table benefits in subparagraphs (A) and (B) of paragraph
14 two of subsection (d-1) of this section and such tax table benefits in
15 subparagraphs (A) and (B) of this paragraph. The fraction for this
16 subparagraph is computed as follows: the numerator is the lesser of
17 fifty thousand dollars or the excess of New York adjusted gross income
18 for the taxable year over ten million five hundred thousand dollars and
19 the denominator is fifty thousand dollars.

20 (D) Provided, however, the total tax prior to the application of any
21 tax credits shall not exceed the highest rate of tax set forth in the
22 tax tables in subsection (b) of this section multiplied by the taxpay-
23 er's taxable income.

24 (3) For such resident unmarried individuals, resident married individ-
25 uals filing separate returns and resident estates and trusts, the
26 supplemental tax shall be an amount equal to the sum of the tax table
27 benefits described in subparagraphs (A), (B) and (C) of this paragraph
28 multiplied by their respective fractions in such subparagraphs.

29 (A) The tax table benefit is the difference between (i) the amount of
30 taxable income set forth in the tax table in item two of clause (i),
31 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (c) of
32 this section not subject to the 8.98 percent rate of tax for the taxable
33 year multiplied by such rate and (ii) the dollar denominated tax for
34 such amount of taxable income set forth in the tax table applicable to
35 the taxable year in item one of clause (i), (ii) or (iii) of subpara-
36 graph (B) of paragraph one of subsection (c) of this section less the
37 sum of tax table benefits in subparagraphs (A) and (B) of paragraph
38 three of subsection (d-1) of this section. The fraction for this
39 subparagraph is computed as follows: the numerator is the lesser of
40 fifty thousand dollars or the excess of New York adjusted gross income
41 for the taxable year over one million seventy thousand three hundred
42 fifty dollars and the denominator is fifty thousand dollars.

43 (B) The tax table benefit is the difference between (i) the amount of
44 taxable income set forth in the tax table in item two of clause (i),
45 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (c) of
46 this section not subject to the 9.08 percent rate of tax for the taxable
47 year multiplied by such rate and (ii) the dollar denominated tax for
48 such amount of taxable income set forth in the tax table applicable to
49 the taxable year in item one of clause (i), (ii) or (iii) of subpara-
50 graph (B) of paragraph one of subsection (c) of this section less the
51 sum of the tax table benefits in subparagraphs (A) and (B) of paragraph
52 three of subsection (d-1) of this section and such tax table benefit in
53 subparagraph (A) of this paragraph. The fraction for this subparagraph
54 is computed as follows: the numerator is the lesser of fifty thousand
55 dollars or the excess of New York adjusted gross income for the taxable
56 year over five million dollars and the denominator is fifty thousand

1 dollars. Provided, however, this subparagraph shall not apply to taxpay-
2 ers who are not subject to the 9.08 percent tax rate.

3 (C) The tax table benefit is the difference between (i) the amount of
4 taxable income set forth in the tax table in item two of clause (i),
5 (ii) or (iii) of subparagraph (B) of paragraph one of subsection (c) of
6 this section not subject to the 9.28 percent rate of tax for the taxable
7 year multiplied by such rate and (ii) the dollar denominated tax for
8 such amount of taxable income set forth in the tax table applicable to
9 the taxable year in item one of clause (i), (ii) or (iii) of subpara-
10 graph (B) of paragraph one of subsection (c) of this section less the
11 sum of the tax table benefits in subparagraphs (A) and (B) of paragraph
12 three of subsection (d-1) of this section and such tax table benefits in
13 subparagraphs (A) and (B) of this paragraph. The fraction for this
14 subparagraph is computed as follows: the numerator is the lesser of
15 fifty thousand dollars or the excess of New York adjusted gross income
16 for the taxable year over ten million dollars and the denominator is
17 fifty thousand dollars.

18 (D) Provided, however, the total tax prior to the application of any
19 tax credits shall not exceed the highest rate of tax set forth in the
20 tax tables in subsection (c) of this section multiplied by the taxpay-
21 er's taxable income.

22 § 7. Notwithstanding any provision of law to the contrary, and in
23 accordance with section 4 of the state finance law, the comptroller is
24 hereby authorized and directed to transfer on April 1, 2018, April 1,
25 2019 and April 1, 2020, \$2,072,000,000 from the general fund to the MTA
26 financial assistance fund, mobility tax trust account.

27 § 8. This act shall take effect immediately; provided that sections
28 one, two, and seven of this act shall expire and be deemed repealed
29 January 1, 2021.