STATE OF NEW YORK

7680

IN SENATE

February 7, 2018

Introduced by Sen. PHILLIPS -- 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 the imposition of tax and rate under the metropolitan commuter transportation mobility tax

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 amended by section 1 of part N of chapter 59 of the laws of 2012, 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 on employers and individuals as follows: (1) For employers who engage in business within the MCTD, the tax is imposed at a rate of (A) [~~eleven~~] ten hundredths [~~(.11)~~] (.10) 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~~] twenty-one hundredths [~~(.23)~~] (.21) 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~~] thirty-one hundredths [~~(.34)~~] (.31) 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) For

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

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individuals, the tax is imposed at a rate of [~~thirty-four~~] thirty-one hundredths [~~(.34)~~] (.31) 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~~] seventy-five thousand dollars for the tax year.

§ 2. This act shall take effect immediately and shall apply to payroll expense incurred on or after October 1, 2018.