

STATE OF NEW YORK

9727

IN SENATE

May 23, 2024

Introduced by Sen. LIU -- 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 congestion surcharge on medallion taxicab trips

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

1 Section 1. Section 1299-A of the tax law, as added by section 2 of
2 part NNN of chapter 59 of the laws of 2018, is amended to read as
3 follows:

4 § 1299-A. Imposition of tax. (a) In addition to any other tax or
5 assessment imposed by this chapter or other law, there is hereby
6 imposed, beginning on January first, two thousand nineteen, a surcharge
7 on for-hire transportation trips of two dollars and seventy-five cents
8 for each such trip that originates and terminates in the congestion
9 zone, for each such trip that originates anywhere in the state and
10 terminates within the congestion zone, for each such trip that origi-
11 nates in the congestion zone and terminates anywhere in this state, and
12 for each such trip that originates anywhere in the state, enters into
13 the congestion zone while in transit, and terminates anywhere in the
14 state. For purposes of this [~~subsection~~ subdivision, a for-hire trans-
15 portation trip shall be deemed to originate in the congestion zone when
16 any requesting passenger is picked up there (or if the billing for the
17 ride, or any portion thereof, is commenced there), and is deemed to
18 terminate in the congestion zone when any requesting passenger is
19 dropped off there. [~~Provided however, if the for-hire transportation
20 trip is provided by a for-hire vehicle that is also subject to article
21 twenty-nine-A of this chapter, excluding a HAIL vehicle as defined by
22 such article, the rate of surcharge under this subsection shall be two
23 dollars and fifty cents for each trip.~~]

24 (b) In addition to any other tax or assessment imposed by this chapter
25 or other law, beginning on January first, two thousand nineteen, there
26 is hereby imposed on transportation provided by pool vehicles a
27 surcharge of seventy-five cents for each person that both enters and

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

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1 exits the pool vehicle in the state, and who is picked up in, dropped
2 off in, or travels through the congestion zone.

3 (c) Notwithstanding the foregoing, the surcharge imposed by this arti-
4 cle shall not apply to transportation services that are administered by
5 or on behalf of the metropolitan transportation authority, including
6 paratransit services or to any for-hire transportation trip provided by
7 a for-hire vehicle that is also subject to article twenty-nine-A of this
8 chapter, excluding a HAIL vehicle as defined by such article.

9 (d) Receipts subject to tax under paragraph ten of subdivision (c) of
10 section eleven hundred five of this chapter, as well as the gross trip
11 fare of every TNC prearranged trip as those terms are defined by section
12 twelve hundred ninety-one of this chapter, shall be deemed to exclude
13 any surcharge imposed by this article.

14 § 2. Subdivision (a) of section 1299-B of the tax law, as amended by
15 section 3 of part R of chapter 59 of the laws of 2021, is amended to
16 read as follows:

17 (a) Notwithstanding any provision of law to the contrary, any person
18 that dispatches a motor vehicle by any means that provides transporta-
19 tion that is subject to a surcharge imposed by this article, including
20 transportation network companies as defined in article forty-four-B of
21 the vehicle and traffic law, shall be liable for the surcharge imposed
22 by this article, except that in the case of [~~taxicab trips and~~] HAIL
23 vehicle trips that are also subject to tax pursuant to article twenty-
24 nine-A of this chapter: (1) a TSP that collected the trip record and
25 trip fare shall withhold from daily collections the surcharges due on
26 such trips, and shall withhold from such collections the surcharges due
27 on cash trips. If the TSP's daily collections, after retaining any fees
28 to which it is entitled pursuant to a contract with such [~~taxicab owner~~
29 ~~or~~] HAIL vehicle owner, are insufficient to cover the surcharges due on
30 such cash trips, the TSP shall withhold an amount from subsequent daily
31 collections, to the extent funds are available, until all surcharges due
32 for a monthly period have been withheld. If a TSP is unable to withhold
33 all the surcharges due in a monthly period, it shall withhold such
34 unwithheld surcharges from daily collections in the next monthly period.
35 A TSP shall be jointly liable for the surcharge imposed by this article
36 for all trips for which the TSP collected the trip record, but shall be
37 relieved of liability for any surcharges attributable to cash trips for
38 which it was unable to withhold the surcharges because there were insuf-
39 ficient daily collections during twelve successive monthly periods.

40 (2) The TSP shall be responsible for filing monthly returns reporting
41 the surcharges due on all trips for which it collected trip records,
42 shall remit the surcharges withheld on all such trips and shall report
43 any unwithheld surcharges due because of insufficient daily collections
44 to cover the tax due on cash trips. For purposes of this section, the
45 terms [~~"taxicab trips,"~~] "HAIL vehicle trips," [~~"taxicab owner,"~~] "HAIL
46 base," "TSP" and "cash trip" shall have the same meaning as they do in
47 section twelve hundred eighty of this chapter.

48 § 3. This act shall take effect immediately.