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:

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

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

(b) In addition to any other tax or assessment imposed by this chapter or other law, beginning on January first, two thousand nineteen, there is hereby imposed on transportation provided by pool vehicles a 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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exits the pool vehicle in the state, and who is picked up in, dropped off in, or travels through the congestion zone.

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

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

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

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

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

§ 3. This act shall take effect immediately.