

STATE OF NEW YORK

7055

2025-2026 Regular Sessions

IN SENATE

March 31, 2025

Introduced by Sen. WEBER -- 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 metropolitan commuter transportation district and the payroll tax

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

1 Section 1. Subsection (a) of section 800 of the tax law, as added by
2 section 1 of part C of chapter 25 of the laws of 2009, is amended to
3 read as follows:

4 (a) Metropolitan commuter transportation district. The metropolitan
5 commuter transportation district ("MCTD") means the area of the state
6 included in the district created and governed by section twelve hundred
7 sixty-two of the public authorities law, excluding the counties of
8 Orange and Rockland for the purposes of this article.

9 § 2. Subparagraph (A) of paragraph 1 of subsection (a) of section 801
10 of the tax law, as amended by section 1 of part Q of chapter 58 of the
11 laws of 2023, is amended to read as follows:

12 (A) For employers who engage in business within the MCTD, in the coun-
13 ties of Dutchess, Nassau, [~~Orange,~~] Putnam, [~~Rockland,~~] Suffolk and
14 Westchester, the tax is imposed at a rate of (i) eleven hundredths (.11)
15 percent of the payroll expense for employers with payroll expense no
16 greater than three hundred seventy-five thousand dollars in any calendar
17 quarter, (ii) twenty-three hundredths (.23) percent of the payroll
18 expense for employers with payroll expense greater than three hundred
19 seventy-five thousand dollars and no greater than four hundred thirty-
20 seven thousand five hundred dollars in any calendar quarter, and (iii)
21 thirty-four hundredths (.34) percent of the payroll expense for employ-
22 ers with payroll expense in excess of four hundred thirty-seven thousand
23 five hundred dollars in any calendar quarter. If the employer is a
24 professional employer organization, as defined in section nine hundred

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

LBD11384-01-5

1 sixteen of the labor law, the employer's tax shall be calculated by
2 determining the payroll expense attributable to each client who has
3 entered into a professional employer agreement with such organization
4 and the payroll expense attributable to such organization itself, multi-
5 plying each of those payroll expense amounts by the applicable rate set
6 forth in this paragraph and adding those products together.

7 § 3. The opening paragraph of subparagraph (A) of paragraph 2 of
8 subsection (a) of section 801 of the tax law, as amended by section 1 of
9 part C of chapter 59 of the laws of 2024, is amended to read as follows:

10 For individuals, the tax is imposed at a rate of thirty-four
11 hundredths (.34) percent of the net earnings from self-employment of
12 individuals that are attributable to the MCTD, in the counties of Dutch-
13 ess, Nassau, [~~Orange~~] Putnam, [~~Rockland~~] Suffolk, and Westchester, if
14 such earnings attributable to the MCTD exceed fifty thousand dollars for
15 the tax year.

16 § 4. This act shall take effect immediately and shall apply to taxable
17 years beginning on or after January 1, 2025.