



NEW YORK STATE SENATOR

Kenneth P. LaValle

Senator LaValle Encourages Awareness to Mta Payroll Tax

KENNETH P. LAVALLE September 2, 2009

| ISSUE: **PAYROLL TAX**



Senator LaValle would like to remind businesses and self-employed individuals of the MTA Payroll Tax that was part of the bailout plan passed by Governor Paterson and the Democrat Senate and Assembly. While the Senate Republicans strongly opposed the measure, it was signed into law and will cost Suffolk County employers .34 percent of their payroll expense.

“I remain opposed to the MTA bailout plan and will continue to fight to have the MTA tax repealed,” said Senator LaValle. “I am reminding businesses and the self-employed of this tax so they are not hit with late fees that will cost them even more of their hard-earned dollars.”

According to information provided by New York State Department of Taxation and Finance, the first payment will be due on November 2, 2009. The tax applies to businesses, hospitals, not-for-profits,

self-employed, local governments, and school districts. To learn the details of the tax go to <http://www.tax.state.ny.us/> and click on [Metropolitan Commuter Transportation Mobility Tax](#) .

While the plan proposes to reimburse school districts after they pay the tax, the earliest date for reimbursement would be April 1, 2010. Senator LaValle fears this may force school districts to raise taxes to pay for this and next year's liability. "If the Governor were serious about protecting school districts from having to raise taxes, he would have exempted them from the MTA payroll tax," Senator LaValle said.

"Like the state budget, the MTA bailout was crafted behind closed doors. Between the two, we will be paying more than \$10 billion in new taxes, fees, and fare hikes this year," concluded Senator LaValle.