



NEW YORK STATE SENATOR

Jack M. Martins

Senate Majority Passes Bill to Eliminate MTA Payroll Tax for All Libraries

JACK M. MARTINS June 5, 2012

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Senate Continues Assault on Onerous Tax to Help Taxpayers

Senator Jack M. Martins and the members of the Senate scored another victory for taxpayers by passing a bill to eliminate the MTA Payroll Tax for all libraries in New York State.

Senator Martins vowed to fight to eliminate the MTA Payroll Tax, which was passed in 2009 by the former Senate Majority and former Governor, and has been successful in working with his colleagues and Governor Cuomo in getting the tax eliminated for all small businesses with payrolls of less than \$1.25 million and schools, both public and private.

Senator Martins' bill (S-6079A), which passed the Senate on Monday, June 5, eliminates the tax for all libraries.

"When the MTA Payroll Tax is applied to the payrolls of entities such as school districts and libraries, it is being paid by our taxpayers. In this economic climate, we need to ease the burden on our taxpayers. This measure will eliminate a cost that was unfairly placed on our libraries, which serve as centers for our communities," said Senator Martins, who is a strong

advocate for libraries in the state.

Senator Martins introduced the bill so libraries wouldn't have to allocate funds in their budget for the MTA, freeing up precious tax dollars to go toward library materials and programs.

"Libraries shouldn't have to be forced to subsidize the MTA through this tax. Repealing it for libraries frees up limited resources and allow libraries to enhance their services for the community. Community tax dollars should be going to benefit the community. With this legislation, libraries would no longer have to worry about finding funds for the MTA," said Senator Martins.

"The New York Library Association is grateful for Senator Martins' prompt action to extend the exemption from the MTA payroll tax to include public libraries, which were left out of the recently adopted changes in December. The library community is hopeful that this unfortunate oversight will be addressed before the end of the session", said Michael J. Borges, Executive Director of the New York Library Association.

There are currently 28 libraries in Nassau County and 31 in Suffolk County that have payrolls of over \$1.25 million that would realize savings from Senator Martins' bill. "Libraries are community centers for our residents, young and old, who deserve to have their hard-earned tax dollars going towards library services. It's nuts that our libraries have had to take moneys from books and community services to subsidize the MTA," said Senator Martins.

According to Jackie Thresher, Director of the Nassau Library System, libraries have had to either increase their budgets to cover the cost of the tax, thereby passing the cost on the taxpayer via increases in property taxes, or reduce expenditures to reallocate funds to pay the payroll tax. "This usually results in few books being purchased or fewer educational

programs and services being offered. Repealing the MTA payroll tax for public libraries will allow libraries to use their limited resources to meet the needs of their communities," she said.

"The Trustees of the Shelter Rock Public Library are extremely pleased that Senator Martins is sponsoring a bill seeking an exemption for public libraries from the MTA Commuter Tax. As educational institutions, it is only fitting that libraries receive the same benefit as public and private schools that have already been granted this exemption," said Shelter Rock Library Director Andrea Meluskey.

"As essential educational institutions in every community, public libraries should be exempt from the MTA payroll tax. Public library use has risen over the last several years, even as state funding has decreased. Adding the additional burden of an MTA tax further inhibits the ability of libraries throughout New York State to deliver the services most needed by their communities," said Port Washington Library Director Nancy Curtin.

"I'm very pleased that Senator Martins is introducing this bill. The MTA Payroll Tax is an unfair imposition on libraries. I wish him all the luck in getting it passed," said Great Neck Library Director Jane Marino.

The bill has been sent to the Assembly.

Senator Martins also has a bill in the Senate to eliminate the MTA Payroll Tax for all counties, towns and villages.