

Legislative Bill Drafting Commission  
11987-01-1

S.               -----  
                  Senate  
                  -----

IN SENATE--Introduced by Sen

--read twice and ordered printed,  
and when printed to be committed  
to the Committee on

----- A.  
Assembly  
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IN ASSEMBLY--Introduced by M. of A.

with M. of A. as co-sponsors

--read once and referred to the  
Committee on

**\*TAXLA\***  
(Relates to the metropolitan commu-  
ter transportation mobility tax)

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Tax. MCTD mobility tax

AN ACT

to amend the tax law, in relation to  
creating regions one and two for the  
metropolitan commuter transportation  
mobility tax

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

IN SENATE

**Senate introducer's signature**

The senators whose names are circled below wish to join me in the sponsorship  
of this proposal:

s20 Adams	s44 Farley	s58 Kennedy	s18 Montgomery	s23 Savino
s15 Addabbo	s02 Flanagan	s34 Klein	s54 Nozzolio	s28 Serrano
s55 Alesi	s08 Fuschillo	s26 Krueger	s53 O'Mara	s51 Seward
s11 Avella	s59 Gallivan	s27 Kruger	s37 Oppenheimer	s09 Skelos
s40 Ball	s12 Gianaris	s24 Lanza	s21 Parker	s14 Smith
s42 Bonacic	s22 Golden	s39 Larkin	s13 Peralta	s25 Squadron
s46 Breslin	s47 Griffo	s01 LaValle	s30 Perkins	s16 Stavisky
s38 Carlucci	s60 Grisanti	s52 Libous	s61 Ranzzenhofer	s35 Stewart-
s50 DeFrancisco	s06 Hannon	s45 Little	s48 Ritchie	Cousins
s32 Diaz	s36 Hassell-	s05 Marcellino	s33 Rivera	s49 Valesky
s17 Dilan	Thompson	s07 Martins	s56 Robach	s57 Young
s29 Duane	s10 Huntley	s62 Maziarz	s41 Saland	s03 Zeldin
s31 Espaillat	s04 Johnson	s43 McDonald	s19 Sampson	

IN ASSEMBLY

**Assembly introducer's signature**

The Members of the Assembly whose names are circled below wish to join me in the  
multi-sponsorship of this proposal:

a049 Abbate	a107 Crouch	a095 Jaffee	a038 Miller, M.	a012 Saladino
a092 Abinanti	a014 Curran	a057 Jeffries	a052 Millman	a113 Sayward
a105 Amedore	a063 Cusick	a135 Johns	a103 Molinaro	a029 Scarborough
a084 Arroyo	a045 Cymbrowitz	a112 Jordan	a015 Montesano	a016 Schimel
a035 Aubry	a034 DenDekker	a099 Katz	a132 Morelle	a140 Schimminger
a124 Barclay	a081 Dinowitz	a074 Kavanagh	a039 Moya	a145 Schroeder
a040 Barron	a114 Duprey	a065 Kellner	a003 Murray	a064 Silver
a082 Benedetto	a004 Englebright	a100 Kirwan	a037 Nolan	a036 Simotas
a073 Bing	a071 Farrell	a129 Kolb	a128 Oaks	a146 Smardz
a122 Blankenbush	a123 Finch	a025 Lancman	a069 O'Donnell	a093 Spano
a055 Boyland	a007 Fitzpatrick	a091 Latimer	a051 Ortiz	a079 Stevenson
a008 Boyle	a137 Friend	a013 Lavine	a136 Palmesano	a011 Sweeney
a026 Braunstein	a143 Gabryszak	a050 Lentol	a088 Paulin	a110 Tedisco
a044 Brennan	a090 Galef	a125 Lifton	a141 Peoples-	a115 Tenney
a131 Bronson	a133 Gantt	a072 Linares	Stokes	a002 Thiele
a046 Brook-Krasny	a077 Gibson	a127 Lopez, P.	a058 Perry	a061 Titone
a147 Burling	a149 Giglio	a053 Lopez, V.	a087 Pretlow	a031 Titus
a117 Butler	a066 Glick	a001 Losquadro	a021 Ra	a062 Tobacco
a101 Cahill	a150 Goodell	a126 Lupardo	a097 Rabbitt	a041 Weinstein
a096 Calhoun	a075 Gottfried	a111 Magee	a009 Raia	a020 Weisenberg
a043 Camara	a005 Graf	a120 Magnarelli	a006 Ramos	a024 Weprin
a106 Canestrari	a098 Gunther	a059 Maisel	a134 Reilich	a070 Wright
a089 Castelli	a130 Hanna	a060 Malliotakis	a109 Reilly	a094 Zebrowski
a086 Castro	a139 Hawley	a030 Markey	a078 Rivera, J.	a023
a138 Ceretto	a148 Hayes	a019 McDonough	a080 Rivera, N.	a027
a033 Clark	a083 Heastie	a104 McEneny	a076 Rivera, P.	a054
a047 Colton	a028 Hevesi	a017 McKevitt	a119 Roberts	a116
a010 Conte	a048 Hikind	a108 McLaughlin	a056 Robinson	
a032 Cook	a018 Hooper	a022 Meng	a068 Rodriguez	
a142 Corwin	a144 Hoyt	a121 Miller, D.	a067 Rosenthal	
a085 Crespo	a042 Jacobs	a102 Miller, J.	a118 Russell	

1) Single House Bill (introduced and printed separately in either or  
both houses). Uni-Bill (introduced simultaneously in both houses and printed  
as one bill. Senate and Assembly introducer sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2  
signed copies of bill and 4 copies of memorandum in support (single house);  
or 4 signed copies of bill and 8 copies of memorandum  
in support (uni-bill).

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

3 § 800. Definitions. For the purposes of this article:

4 (a) Metropolitan commuter transportation district. The metropolitan  
5 commuter transportation district ("MCTD") means [the area] the combina-  
6 tion of region one and region two of the state included in the district  
7 created and governed by section twelve hundred sixty-two of the public  
8 authorities law.

9 (b) Region one. Region one means counties contained wholly within a  
10 city with a population of one million or more.

11 (c) Region two. Region two means the counties of Dutchess, Nassau,  
12 Orange, Putnam, Rockland, Suffolk, and Westchester.

13 (d) Employer. Employer means an employer required by section six  
14 hundred seventy-one of this chapter to deduct and withhold tax from  
15 wages, that has a payroll expense in excess of two thousand five hundred  
16 dollars in any calendar quarter; other than

17 (1) any agency or instrumentality of the United States;

18 (2) the United Nations; [or]

19 (3) an interstate agency or public corporation created pursuant to an  
20 agreement or compact with another state or the Dominion of Canada[.];

21 (4) a non-public primary or secondary school located in the MCTD that  
22 satisfies the requirements prescribed by law for non-public schools in  
23 this state, and that has qualified for federal tax exemption under  
24 section 501(c)(3) of the internal revenue code;

25 (5) a public primary or secondary school located in the MCTD; or

26 (6) an employer that is located in the MCTD with twenty-five or less  
27 covered employees or an individual having net earnings from self employ-  
28 ment from activity within the MCTD.

1     ~~[(c)]~~ (e) Payroll expense. Payroll expense means wages and compen-  
2     sation as defined in sections 3121 and 3231 of the internal revenue code  
3     (without regard to section 3121(a)(1) and section 3231(e)(2)(A)(i)),  
4     paid to all covered employees.

5     ~~[(d)]~~ (f) Covered employee. Covered employee means an employee who is  
6     employed within region one or region two of the MCTD.

7     ~~[(e)]~~ (g) Net earnings from self-employment. Net earnings from self-  
8     employment has the same meaning as in section 1402 of the internal  
9     revenue code.

10    § 2. Section 801 of the tax law, as added by section 1 of part C of  
11    chapter 25 of the laws of 2009, is amended to read as follows:

12    § 801. Imposition of tax and rate. (a) For the sole purpose of provid-  
13    ing an additional stable and reliable dedicated funding source for the  
14    metropolitan transportation authority and its subsidiaries and affil-  
15    iates to preserve, operate and improve essential transit and transporta-  
16    tion services in the metropolitan commuter transportation district, a  
17    tax is hereby imposed [at a rate of thirty-four hundredths (.34) percent  
18    of] on: (1) the payroll expense of every employer who engages in busi-  
19    ness within the MCTD and (2) the net earnings from self-employment of  
20    individuals that are attributable to the MCTD if such earnings attribut-  
21    able to the MCTD exceed ten thousand dollars for the tax year[.] at the  
22    following rates:

23    (i) for region one, on or after January first, two thousand nine and  
24    before January first, two thousand thirteen, thirty-four hundredths  
25    (.34) percent; on or after January first, two thousand thirteen and  
26    before January first, two thousand fourteen, twenty-eight hundredths  
27    (.28) percent; and on January first, two thousand fourteen and thereaft-  
28    er, twenty-one hundredths (.21) percent.

1     (ii) for region two, on or after January first, two thousand nine and  
2 before January first, two thousand twelve, thirty-four hundredths (.34)  
3 percent; on or after January first, two thousand twelve and before Janu-  
4 ary first, two thousand thirteen, twenty-three hundredths (.23) percent;  
5 on or after January first, two thousand thirteen and before January  
6 first, two thousand fourteen, twelve hundredths (.12) percent; and on  
7 January first, two thousand fourteen and thereafter, zero (0) percent.

8     (b) (1) An individual having net earnings from self-employment from  
9 activity both within and without the metropolitan commuter transporta-  
10 tion district is required to allocate and apportion such net earnings to  
11 the MCTD in the manner required for allocation and apportionment of  
12 income under article twenty-two of this chapter. An individual having  
13 net earnings from self-employment from activity both within and without  
14 regions one and two is required to allocate and apportion such net earn-  
15 ings to the respective region in the manner required for allocation and  
16 apportionment of income under article twenty-two of this chapter.

17     (2) In the case of individuals with earnings from self-employment, the  
18 net earnings from self employment threshold in paragraph two of  
19 subsection (a) of this section will be computed on an individual basis  
20 regardless of whether that individual filed a joint personal income tax  
21 return.

22     (c) The determination of whether a covered employee is employed within  
23 region one or region two of the MCTD will be made by utilizing the rules  
24 applicable to the jurisdiction of employment for purposes of the state-  
25 wide wage reporting system under section one hundred seventy-one-a of  
26 this chapter, as added by chapter five hundred forty-five of the laws of  
27 nineteen hundred seventy-eight, and substituting region one or region  
28 two of the MCTD for the state in that application.

1     § 3. This act shall take effect immediately; provided, however, that  
2 the provisions of section one of this act shall take effect on January  
3 1, 2012.