



NEW YORK STATE SENATOR

Martin J. Golden

## Senator Golden Announces Sales Tax Cut and Mta Payroll Tax Cut to Go Into Effect Sunday, April 1st

MARTIN J. GOLDEN March 30, 2012

| ISSUE: **TAXES**

Brooklyn- State Senator Martin J. Golden (R-C-I, Brooklyn) today is reminding New Yorkers of two tax cuts recently approved by the New York State Legislature that are scheduled to take effect this Sunday, April 1st, including the elimination of the 4% State portion of the sales tax, and the repeal of the MTA Payroll Tax.

As of April 1st, all clothing and footwear sold for less than \$110 per item (or per pair of footwear) will now exempt from the State and City sales tax combined 8.875% sales tax. Additionally, most fabric, thread, yarn, buttons, snaps, hooks, zippers and similar items that are used to make or repair exempt clothing will also be eligible for the exemption. The exemption from the state sales tax will be in effect year round.

April 1st also marks the date the MTA payroll tax is officially repealed in New York State. Starting Sunday, businesses with an annual payroll of less than \$1.25 million will be exempt from paying the MTA payroll tax. Businesses with a payroll of less than \$1.75 million will

have their MTA payroll tax rates reduced. In total, the MTA payroll tax will be repealed for 80% of businesses in New York State.

Senator Marty Golden stated, “These tax cuts will help reduce costs for New York’s families and businesses and enable us to keep more of our hard earned money. In this economy, every dollar counts and we must work to reduce the cost of living and doing business in New York. These tax cuts will also play a role in creating jobs and improving the economic climate throughout our City and State.”

Golden continued, “As a former merchant leader, I know how important it is to have the sales tax on clothing and shoes removed, so that Brooklyn, and New York, can compete with shopping centers in the tri-state area. Additionally, we have lifted the requirement that caused parochial and private school budgets to be burdened with the cost of MTA payroll tax.”