

Senate Passes Bill to Exempt Libraries From Mta Payroll Tax

DEAN G. SKELOS June 4, 2012

The New York State Senate today passed legislation (S6079A), sponsored by Senator Jack Martins (R-C-I, Mineola), that would exempt libraries from the paying the MTA payroll tax. Repealing the tax would save libraries in the downstate MTA region \$1.3 million annually.

"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," Senator Martins said. "This measure will eliminate a cost that was unfairly placed on our libraries, which serve as centers for our communities."

Last December, the Senate successfully led the effort to repeal the MTA payroll tax for small businesses, public and private schools and other entities with payrolls under \$1.25 million. That's over 700,000 taxpayers who were previously paying it. Approximately 80 percent of all employers received a total elimination. Thousands of others received a significant reduction.

"Exempting public libraries from the MTA payroll tax would allow libraries to use their limited resources to meet the needs of their communities," Senate Majority Leader Dean G. Skelos said. "I applaud Senator Martins for his efforts to expand the repeal of this unfair tax."

"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.

The bill was sent to the Assembly.

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