

2011 Tax Reform Law

MTA Payroll Tax

The 2011 Tax Reform Law will provide relief to almost 7,000 Rockland County small businesses by eliminating or cutting the MTA payroll tax. In addition, over 100 companies and over 414,000 self-employed individuals will benefit from a reduction in the payroll tax.

This bill also exempts all schools (public and private) from the burdensome tax.

MTA Payroll Tax Cuts

Annual Payroll	Previous Tax Rate	New Tax Rate
Below \$1.25 million	0.34%	Completely Exempt
Between \$1.25 and \$1.5 million	0.34%	0.11%
Between \$1.5 and \$1.75 million	0.34%	0.23%

For more information please visit: http://www.tax.ny.gov/bus/mctmt/mctmt_changes.htm

Reforming the Tax Code

For the first time in decades New Yorkers will benefit from a reformed tax code which will provide income tax relief for 4.4 million New Yorkers. The new law will save Rockland County families on average between \$200 and \$500 a year.

Personal Income Tax Rates

Income Level	Previous Tax Rate	New Tax Rate
\$40,000 to \$150,000	6.85%	6.45%
\$150,000 to \$300,000	6.85%	6.65%
\$300,000 to \$2 million	7.85% - 8.97%	6.85%
Over \$2 million	8.97%	8.82%

The Tax Reform and Fairness Committee was created to study the effectiveness of the new tax rates as well as other long term tax reforms. For more information please visit: <http://www.tax.ny.gov/pit/file/rates.htm>