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To: Chief Fiscal Officers of Participating Municipalities

From: Division of Local Government and School Accountability

**Subject: Accounting Update for the Metropolitan Commuter Transportation
Mobility Tax**

Please provide copies of this bulletin to others who may need this information.

Chapter 56 of the Laws of 2011 amended Article 23 of the Tax Law to, among other things, exempt public schools and BOCES in the Metropolitan Commuter Transportation District (MCTD)¹ from the Metropolitan Commuter Transportation Mobility Tax, effective April 1, 2012. In addition, the payroll threshold and payroll tax rates have been adjusted for all other local government employers within the MCTD.

Accounting Codes

All local governments still subject to the tax should continue to use expenditure code **Account 1980.4 – Payment of MTA Payroll Tax** to record expenditures for this tax. This code will be deactivated for school districts beginning with the 2012-13 ST-3.

In addition, revenue code **Account 2730 – Reimbursement of MTA Payroll Tax Expenditures**, previously used by public school districts to record amounts received from the State as reimbursement for this tax, will be deactivated beginning with the 2012-13 ST-3.

Additional Information

Questions about the changes to this tax and administration of this tax should be directed to the New York State Department of Taxation and Finance. Their website has information about the tax at www.tax.ny.gov/bus/mctmt/default.htm. If you have questions pertaining to the codes described in this bulletin, please contact the State Comptroller's regional office that serves your local government.

¹ Counties comprising the Metropolitan Commuter Transportation District outside of New York City are Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester.