NEW YORK STATE | Department of Taxation and Finance

Important

The MTA surcharge rate for Article 9-A taxpayers was legislatively set at a permanent rate of 30% for tax years beginning on or after January 1, 2024.

The information in this TSB-M concerning the Commissioner of Taxation and Finance establishing the MTA surcharge rate is obsolete on or after January 1, 2024, and is only provided for historical purposes.

For the most up-to-date information on the MTA surcharge rate, see Form CT-3-M, *General Business Corporation MTA Surcharge Return*, and its instructions.

The TSB-M begins on page 2 below.

[Part GG of Chapter 59 of the Laws of 2023; Tax Law §209-B]

Insert added on June 12, 2026.

NEW YORK STATE | Department of Taxation and Finance

Technical Memorandum
TSB-M-20(2)C
Corporation Tax
December 15, 2020

2021 MTA Surcharge Rate and Deriving Receipts Thresholds

MTA surcharge rate

Under current law and regulations,[1] the Commissioner of Taxation and Finance is required to annually adjust the rate of the MTA surcharge as necessary to ensure that the receipts attributable to the surcharge will meet and not exceed the financial projections for the state fiscal year that commences in the year for which the rate is to be set, as reflected in the enacted budget for the fiscal year commencing on the previous April 1.

On December 3, 2020, the Commissioner established the MTA surcharge rate for tax years beginning on or after January 1, 2021, and before January 1, 2022. As adjusted, the MTA surcharge rate is 30% for tax years beginning on or after January 1, 2021, and before January 1, 2022. This rate only applies to Article 9-A taxpayers[2] and will remain the same in any succeeding tax year, unless the Commissioner establishes a new rate.

Estimated MTA surcharge payments

Article 9-A taxpayers should take into account the 30% MTA surcharge rate when determining the amount of the second, third, and fourth estimated MTA surcharge payments for tax years beginning on or after January 1, 2021, and before January 1, 2022.

Deriving receipts thresholds for the Article 9-A franchise tax and MTA Surcharge

The Commissioner is also required to annually review the thresholds at which a corporation is deemed to be deriving receipts from activity in New York State and in the Metropolitan Commuter Transportation District (MCTD) for purposes of imposing the franchise tax and MTA surcharge.[3] The Commissioner is required to adjust these thresholds if he finds that the Consumer Price Index (CPI) has changed by 10% or more since January 1, 2015, or since the date that the thresholds were last adjusted by the Commissioner.

The thresholds at which a corporation is deemed to be deriving receipts from activity in New York State and in the MCTD for purposes of imposing the Article 9-A franchise tax and MTA surcharge will not be changed for tax years beginning on or after January 1, 2021 and before January 1, 2022. The thresholds will remain the same until such a time as the Commissioner next reviews the cumulative percentage change in the CPI and is required to adjust such receipts thresholds.

Note: A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.

[1] See Tax Law § 209-B(1)(f) and 20 NYCRR 9-1.2.
[2] The MTA surcharge is not imposed on New York S corporations. See Tax Law § 209-B(1)(a).
[3] See Tax Law §§ 209(1)(e) and 209-B(1)(e).