

STATE OF NEW YORK  
DEPARTMENT OF TAXATION AND FINANCE  
COMMISSIONER OF TAXATION AND FINANCE  
ALBANY, NEW YORK

Pursuant to the authority contained in subdivision one of section 171 and subdivision one of section 209-B of the Tax Law, and Section 7 of Part A of Chapter 59 of the Laws of 2014, the Commissioner of Taxation and Finance hereby makes and adopts as an emergency measure and proposes as a permanent rule the following amendments to the New York State Business Corporation Franchise Tax regulations under Article 9-A of the Tax Law as published in Title 20 of the Official Compilation of Codes, Rules and Regulations of the State of New York, to read as follows:

Section 1. Subchapter A of Title 20 of the Codes, Rules and Regulations of the State of New York is amended to add a new Part 9, entitled metropolitan transportation business tax surcharge.

Section 9-1.1 Deriving Receipts Thresholds. [Tax Law, section 209-B(1)(a) and (e)]

(a) Pursuant to paragraph (e) of subdivision (1) of section 209-B of the Tax Law, the Commissioner of Taxation and Finance shall annually review the thresholds, set forth in subdivision (1) of section 209-B of the Tax Law, at which a corporation is deemed to be deriving receipts from activity in the metropolitan commuter transportation district for purposes of imposing the metropolitan transportation business tax surcharge, and shall adjust such thresholds if the Commissioner finds that the cumulative percentage change in the Consumer Price Index since January 1, 2015, or since the thresholds were last adjusted, is 10 percent or more.

(b) In December of each year, the Commissioner shall ascertain the Consumer Price Index available at the end of the year from the United States Department of Labor, Bureau of Labor Statistics, as published during such month. If the Consumer Price Index has changed by 10 percent or more from the Consumer Price Index available on January 1, 2015, or since the thresholds were last adjusted, then the Commissioner shall adjust the

receipts thresholds by the same percentage as the change in the Consumer Price Index and rounded up to the nearest \$1,000 level. The Commissioner shall publish on the Department's Web site the newly adjusted receipts thresholds and such other information as may deemed necessary and proper by the Commissioner.

Section 9-1.2 Tax Rate. [Tax Law, section 209-B(1)(a) and (f)]

(a) Pursuant to paragraph (f) of subdivision (1) of section 209-B of the Tax Law, the Commissioner of Taxation and Finance is authorized to determine the rate of the metropolitan transportation business tax surcharge for taxable years beginning on or after January 1, 2016, under paragraph (f) of subdivision (1) of section 209-B of the Tax Law.

(b) The metropolitan transportation business tax surcharge will be computed at the rate of 28 percent of the tax imposed under section 209 of the Tax Law for taxable years beginning on or after January 1, 2016 and before January 1, 2017. The rate used to compute the metropolitan transportation business tax surcharge, as determined by the Commissioner, will remain the same in any succeeding taxable year, unless the Commissioner, pursuant to the authority in paragraph (f) of subdivision (1) of section 209-B of the Tax Law, determines a new rate.

Dated: Albany, New York  
March 15, 2016

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Jerry Boone  
Commissioner of Taxation and Finance