

Specific reasons underlying the finding of necessity: Amendments to the Code of the City of Yonkers enacted by Local Law No. 3-2011 on February 24, 2011, under the authority of Tax Law section 1321, increased the rate of the city income tax surcharge from 10 percent of net state income tax to 15 percent of that amount, effective January 1, 2011. The increase necessitates adjustments to the withholding tables and other methods in Appendix 10-A of 20 NYCRR, and amendments to section 251.1 of 20 NYCRR. Sections 1309, 671(a), and other comparable sections of the Tax Law require that employers withhold from employee wages amounts that are substantially equivalent to the tax reasonably estimated to be due for the taxable year. To that end, the withholding rates for the remainder of tax year 2011 reflect the full amount of tax liability for tax year 2011. This rule is being adopted on an emergency basis in order to assure that the new withholding tables and other methods can apply beginning on May 1, 2011 and that the information can be disseminated to employers as soon as possible to allow them sufficient time to make the requisite changes to their payroll systems. Expedient implementation of the new withholding tables on May 1, 2011 will allow taxpayers to pay the increased income tax surcharge in as many increments as possible. The City of Yonkers has advised that it is necessary that the withholding tables be effective May 1 for its Budget to be in compliance and for the City's fiscal health.