

JOB IMPACT EXEMPTION

DEPARTMENT OF TAXATION AND FINANCE

A Job Impact Statement is not being submitted with this rule because it is evident from the subject matter of the rule that it could have no impact on jobs and employment opportunities. The purpose of the rule is to provide New York State and City of Yonkers withholding tables and other methods, applicable to wages and other compensation paid on or after January 1, 2012. This rule sets forth amendments reflecting the revision of New York State personal income tax rates contained in Chapter 57 of the Laws of 2009, and the new City of Yonkers income tax surcharge rate pursuant to section 15-111 of the Code of the City of Yonkers as amended by City of Yonkers Local Law 3-2011. Chapter 255 of the Laws of 2011 extended the authority contained in Section 1321 to taxable years ending before 2014. City of Yonkers Local Law No. 9-2011 extended the City of Yonkers resident income tax surcharge and its non-resident earnings tax to taxable years ending on or before December 31, 2013.

The amendments necessitated by the Chapter 57 of the Laws of 2009 for tax years beginning after 2011 reflect the return to the highest personal income tax rate of 6.85 per cent in effect for tax years beginning before 2009. Specifically, the amendments reflect the revision of the tax tables and the tax table benefits recapture contained in Chapter 57. Because the income changes made by Chapter 57 relate to taxpayers with incomes over certain amounts, the wage bracket method (Method I) tables are not affected. The new Appendix 10-A also reflects the increase in the City of Yonkers income tax surcharge rate from 10 to 15 percent of net state income tax pursuant to section 15-111 of the Code of the City of Yonkers. Specifically, the amendments to the Yonkers withholding tax tables reflect the implementation of the 15 percent surcharge rate over a twelve-month period, rather than the shorter implementation period required for tax year 2011.

The amendments to the New York State and Yonkers provisions regarding withholding on supplemental wages are also made to reflect the new rates of withholding.