



## MEMO OF SUPPORT

### [A567 \(González-Rojas\) / Senate TK \(Gounardes\)](#)

*Remits internet sales tax funds directly to the MTA without appropriation*

January 23, 2025

#### **TITLE OF BILL**

An act to amend the state finance law, the public authorities law and the tax law, in relation to directing payment of certain taxes into the central business district tolling capital lockbox fund to be made without appropriation.

#### **STATEMENT OF SUPPORT**

While the state looks for new revenue sources for the MTA's 2025-2029 capital program, it is important for its existing funding to be safeguarded and delivered in a timely manner. Remitting dedicated funding directly to the MTA – not through the annual budget process where it has been subject to [raids from the executive](#) – will increase the MTA's financial stability and improve its credit ratings.

Many existing state dedicated funds are already provided to the MTA without appropriation. The payroll mobility tax (PMT), originally created in 2009, was newly provided without appropriation in 2018. At that time, the [State Division of the Budget said](#), "Taking the PMT revenues off-budget will also provide credit enhancement for the MTA to lower capital financing costs as the revenues will flow more frequently, and will not be subject to legislative appropriation."

We urge the Legislature to pass this legislation, and the Governor to sign it.

#### **SUMMARY OF PROVISIONS**

Section 1 adds a new subdivision 14 to State Finance Law §4 to provide that revenue from the internet sales tax imposed pursuant to subparagraph (ii) of paragraph five of subdivision c) of section twelve hundred sixty-one of the tax law, paid in accordance with section five hundred fifty-three-j of the public authorities law shall be made remitted to the MTA without appropriation.

Section 2 amends State Finance Law §99-ff(3) to provide that funds from the central business district trust funds shall not require appropriation from the Legislature.

Section 3 amends Public Authorities Law §553-j(1) to provide that funds from the internet sales tax pursuant to subparagraph (ii) of paragraph five of subdivision (c) of section twelve hundred sixty-one of the tax law shall be provided to the central business district tolling capital lockbox fund without appropriation.

Section 4 amends Tax Law §1148(c) to provide that funds shall be deposited into the central business district trust funds without appropriation.

Section 5 amends Tax Law §1261(c)(5)(ii), as amended by section 2 of part RR of chapter 57 of 6 the laws of 2022, to provide that internet sales tax funds shall be deposited monthly in equal installments without appropriation.

Section 6 amends Tax Law §1261(c)(5)(ii), as added by section 6-b of part G of chapter 59 of the laws of 2019, to provide that internet sales tax funds shall be deposited monthly in equal installments without appropriation.

Section 7 states that the bill shall take effect immediately.