



NASSAU-SUFFOLK SCHOOL BOARDS ASSOCIATION, INC.

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TO: Long Island New York State Senate and Assembly Delegations

FROM: James S. March, President
Brian Sales, Legislation Committee Chair

RE: MTA Payroll Tax

News reports indicate that the deal struck for restructuring New York's income tax rates includes a provision that "private schools will be exempted completely from MTA payroll tax".

No information has been provided as to whether Long Island's public schools will be granted a similar exemption or will have to continue to put aside education funds to pay the tax. Difficult economic times have forced many districts to borrow in order to meet the payment deadlines. The costs involved belie the perception that schools are fully reimbursed. In fact, an annual occurrence is the worry as to whether or when the State will honor its promised reimbursement.

Schools budgets, and ultimately local property taxes, continue to fund the MTA payroll tax paid by BOCES and Special Act Districts. It is inconceivable that private and parochial schools would be "exempted completely" and not BOCES and Special Act Districts.

Nassau-Suffolk School Boards Association, on behalf of its member boards, seeks reassurance that total relief from the MTA payroll tax will be granted to all public schools, BOCES and Special Act Districts.