



Compliance Insights

New York: Department of Taxation & Finance (Taxation) Department of Labor (DOL)

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Housekeeping

- This is one of a number of complimentary webinars that ADP offers each year
- Today's webinar will last for 30 minutes, ending at 2:30 p.m. (ET)
- The last 10 minutes of today's program have been reserved for Q&A
- A PDF copy of today's slides for download
- Please participate in our brief survey at the conclusion of today's webinar
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Presenter



Cathy Koclanakis
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Agenda

- **High-Level State and Local Overview**
- **Current Opportunities**
- **What New York Wants You to Know**
- **Recent Accomplishments**
- **Q&A**



High-Level State and Local Overview

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High-Level State Overview

New York State Department of Taxation and Finance (Taxation) New York State Department of Labor (DOL)

- Some shared processing between taxation and labor departments
- Shared forms between taxation and labor departments
- Taxation collects unemployment insurance payments

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High-Level Local Overview

Local taxes

- New York City Resident & Non-Resident – 4.25%
- Yonkers City Resident – 1.443%
- Yonkers Non Resident - 0.5%

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High-Level Local Overview

Metropolitan Commuter Transportation Mobility Tax (MCTMT)

- Imposed if:
 - Payroll exceeds \$2,500 for 1Q2012, *or*
 - \$312,500 in any calendar quarter on or after April 1, 2012, *or*
- Tiered rate based on payroll expense:
 - \$312,500.01 - \$375,000.01 – 0.11%
 - \$375,000.01 - \$437,500.01 – 0.23%
 - Over \$437,500.01 – 0.34%

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High-Level State Overview



Selected by Department of Taxation and Department of Labor (DOL) to process hardcopy quarterly forms



↓ ↓ ↓
NYC Yonkers MCTMT

High-Level State Overview

■ Payments (Taxation)

■ Deposit due dates:

- 3 business days (*if withheld \$15,000 or more in 2011*)
- 5 business days (*if withhold < \$15,000 in 2011*)
- Liability under \$700 remitted quarterly

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High-Level State Overview

- **Electronic Payments (Taxation)**
 - PromptTax, or electronic funds transfer (EFT), is required if \$100K liability in prior year
 - \$5,000 penalty for noncompliance
 - EFT registration:
 - <http://www.tax.ny.gov/bus/prompt/default.htm>
(2-3 day turnaround)
 - FORM TR-370 (30 day turnaround)

High-Level State Overview

FORM NYS-1 (Return of Tax Withheld)

New York State Department of Taxation and Finance
NYS-1 (1/13) **Return of Tax Withheld**

Withholding identification number

Employer's legal name:

A Last payroll date – Enter date of last payroll covered by this return (mmddyy)

B If you permanently ceased paying wages, enter date of final payroll (mmddyy)

C Mark an X in the box for additional payment ☐

I certify that this information is to the best of my knowledge and belief true, correct, and complete.

Taxpayer's signature Taxpayer's name (print or type) Date Telephone number ()

Mark X if new employer or address change (see back) ☐

For office use only

Postmark Received date SI

11319412

1 New York State tax withheld ...	<input type="text"/>	<input type="text"/>
2 New York City tax withheld	<input type="text"/>	<input type="text"/>
3 Yonkers tax withheld	<input type="text"/>	<input type="text"/>
4 Total withheld (add lines 1, 2, & 3)	<input type="text"/>	<input type="text"/>
5 Credit claimed	<input type="text"/>	<input type="text"/>
6 Total tax due (line 4 minus line 5) \$	<input type="text"/>	<input type="text"/>

http://www.tax.ny.gov/pdf/current_forms/wt/nys1_fill_in.pdf

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FORM NYS-45 (Quarterly Combined Withholding, Wage Reporting, and Unemployment Insurance)

http://www.tax.ny.gov/pdf/current_forms/wt/nys45_fill_in.pdf

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High-Level State Overview

FORM MTA-305 (Employer's Quarterly Metropolitan Commuter Transportation Mobility Tax)

New York State Department of Taxation and Finance
Employer's Quarterly Metropolitan Commuter Transportation Mobility Tax Return **MTA-305**
(4/12)

For help completing your return, see instructions, Form MTA-305-I.

Amended return ☐

Legal name _____ Employer identification number (EIN) _____

Address (number and street or rural route) _____ Address change? ☐ Mark an X in only one box to indicate the quarter (a separate return must be completed for each quarter) and enter the last two digits of the tax year.

City, village, or post office _____ State _____ ZIP code _____ Jan 1 - Mar 31 ☐ Apr 1 - Jun 30 ☐ July 1 - Sep 30 ☐ Oct 1 - Dec 31 ☐ Tax year _____

Number of employees — Enter the number of covered employees whose wages are included in the amount of payroll expense reported for the quarter: _____

Enter your 2-character special condition code, if applicable (see instructions): _____

If you permanently ceased paying wages subject to the metropolitan commuter transportation mobility tax (MCTMT), enter the date (MM/DD/YYYY): _____

1. Payroll expense subject to the MCTMT (see instructions): 1. _____

2. MCTMT due for quarter (see instructions): 2. _____

3. Total prepayments including PromptTax payments and/or overpayments from previous quarter (see instructions): 3. _____

4. MCTMT balance due (if line 2 is more than line 3, subtract line 3 from line 2; pay this amount): 4. _____

5. Total MCTMT overpaid (if line 2 is less than line 3, subtract line 2 from line 3; enter here and mark an X in box 5a or 5b): 5. _____

5a. Refund ☐ or 5b. Credit to next quarter MCTMT ☐

Sign your return: I certify that the information on this return and any attachments is to the best of my knowledge and belief true, correct, and complete.

Third-party designee? (see instructions) Yes <input type="checkbox"/> No <input type="checkbox"/> (E-mail)	Print designee's name: _____	Designee's phone number () _____	Personal identification number (PIN) _____
Paid preparer must complete (see instructions)		Taxpayer must sign here	
Preparer's signature _____	Date _____	Taxpayer's signature _____	
Firm's name (or yours, if self-employed) _____	Preparer's PTIN or SSN _____	Print signer's name _____	
Address _____	Employer identification number _____	Title _____	
Preparer's e-mail _____	Mark an X if self-employed <input type="checkbox"/>	Date _____ Telephone number () _____	
Payroll service's name _____	Payroll service's EIN _____	E-mail _____	

Note: If you are using a paid preparer or a payroll service, the section above must be completed.
Make your check or money order payable to: **Commissioner of Taxation and Finance**

Mail this return to: MCTMT PROCESSING CENTER
PO BOX 4139
BINGHAMTON NY 13902-4139

0121120094

http://www.tax.ny.gov/pdf/current_forms/mctmt/mta305_fill_in.pdf

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High-Level State Overview

- **Payments (DOL)**

- Quarterly

- Check

- **Filings (DOL)**

- Mandated electronic filing

- Form NYS-45

- Interest Assessment Surcharge
was due August 2012

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Current Opportunities

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Current Opportunities

■ Challenges (Taxation)

- EFT authorization form
- EFT access codes
- Custom power of attorney
- Filing and deposit posting issues for MCTMT
- Litigation of the MCTMT appeal process

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Current Opportunities

- **Common Setup Problems (Taxation and DOL)**
 - Missing registration
 - Apply through DOL at <http://www.tax.ny.gov/bus/doingbus/hire.htm#hire> or by calling (888)899-8810
 - DTF-95 to update Taxation with account profile information
- Employer identification number discrepancies due to predecessor and successor changes
- Inactive account reactivation



What New York Wants ADP Clients to Know

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What NY Wants ADP Clients to Know

Taxation

- If mandated EFT for withholding tax, then mandated EFT for MCTMT payments
- MCTMT is still in effect
 - Although tax has been appealed by the state, the appeal is in litigation
- New EZ Rep System (Form TR-2000 Tax Information Access & Transaction Authorization)
- Hurricane Sandy Relief – (518) 485-6654
- 14-day rule for “traveling” employees – (518) 485-6654



What NY Wants ADP Clients to Know

DOL

- Federal Unemployment Tax Act (FUTA) Credit Reduction:
 - 2012 credit reduction = 0.6%
 - FUTA rate = 1.2%
 - FUTA tax per employee = \$84

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Accomplishments



Accomplishments

■ DOL

- ADP clients are not required to file a custom power of attorney (POA)
- ADP is the first service provider to negotiate the POA agreement
- Quarterly rate and account number verification process

■ Taxation

- ADP is permitted to use temporary EFT access codes
- MCTMT – ADP submitted a protective claim for 32,000 clients so that if the tax is appealed, employers will receive their refunds after the statute of limitation
- Monthly deposit schedule and EFT validation process



Accomplishments

■ Taxation and DOL

- Annual agency visits
- Proposals and opportunities discussions
- ADP is surveyed for feedback on new and existing initiatives

Q&A



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and plan future webinars***

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Thank you for attending!



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