

1986 Legislation

New York City Tax Rates Continue at Current

Increased Rates for Residents and Nonresidents

Chapter 253 of the Laws of 1986 enacted July 1, 1986, has amended section 25-m, section 2-A(a) of the General City Law and sections 1304(a), (b) and (d) of Article 30 of the New York State Tax Law. These amendments continue the current increased rates in effect for taxable years ending on or before December 31, 1987 for residents and nonresidents of the City of New York.

The lower rates will apply to taxable years beginning after December 31, 1987. Proration has been provided for tax years beginning in 1987 and ending in 1988.

Section 615(c)(1) of Article 22 of the New York State Tax Law has been amended to extend for one year the right to deduct from the personal income tax that amount of tax attributable to the higher rates of tax under the Earnings Tax on Nonresidents as compared with the original rates.

The Administrative Code of the City of New York, Title 11, Chapter 17, section 11-1702 and Chapter 19, section 11-1902 have been correspondingly amended to change the rates to conform with the amendments made to the Tax Law and the General City Law. These amendments were enacted on October 24, 1986 and were effective immediately.