



Learn How A New MTA Tax Will Affect Your Business

By Barry L. Sunshine

Raising taxes in difficult economic times is like throwing gasoline into a fire and that is what New York State just did with the new MTA tax, The Metropolitan Commuter Transportation Mobility Tax (MCTMT). The MTA was facing a large deficit that may have required significant fare increases.

In order to avoid fare increases, legislators chose to impose an employer-level tax based on payroll. However, they took it one step further. Not only does it tax payroll, but it also applies the tax to self-employed individuals, including partner and LLC members.

This new tax is going to affect businesses AND self-employed individuals engaging in business in The Metropolitan Commuter Transportation District (MCTD). The MCTD is defined as New York City (the counties of New York/Manhattan, Bronx, Kings/Brooklyn, Queens, and Richmond/Staten Island), and the counties of Rockland, Nassau, Suffolk,

Orange, Putnam, Dutchess and Westchester. This tax, which will be administered by the New York State Tax Department, will be distributed to the Metropolitan Transportation Authority.

How will this affect you and your business? First, you must determine if you're subject to this tax. Generally, all companies with payroll in the metropolitan area are subject to this tax. Secondly, employers will need to determine who will be preparing/filing these taxes. If you're currently using an outside payroll company, you need to contact them to determine if they will be preparing this return. If not, the onus of this tax filing is on the employer. All employers will be responsible to pay 34 cents for every \$100 in payroll expense.

A large majority of employers in the MTA area are service-based businesses; accordingly, this tax is an additional overhead cost. For example, an employer with \$1 million in payroll is responsible for an additional \$3,400 in

tax. Self-employed individuals, including members in an LLC or partners in a partnership, are also subject to this tax. This tax cannot be offset by any other credits or exemptions and the law specifically prohibits employers from deducting this tax from employees' wages or compensation.

The effective date for this tax is: (1) employers' payroll beginning on March 1, 2009; (2) self-employed individuals earnings beginning on January 1, 2009; (3) public school districts payroll beginning on September 1, 2009. This means all businesses are responsible for retroactive tax payments. Employers are subject to this tax if one of the following is applicable: their employees perform services in the MCTD; their base of operations is in the MCTD; their place of direction and control is in the MCTD.

The return is due quarterly (concurrent with your quarterly payroll tax). For 2009, the first return and payment is due November 2, 2009. Employers, who pay their payroll tax through

the electronic PromptTax system, will have to pay this tax electronically as well. Self-employed individuals, including partners in a partnership and members of an LLC are subject to tax and must make quarterly estimated tax payments.

In addition, an individual with net earnings from self-employment must file an annual reconciliation return to reconcile his or her MCTMT estimated tax payments. Rather than filing individually, partners and LLC members can file group returns and submit estimated tax payments as a group. There are penalties for late filing, late payments, failure to file and underpayment of estimated tax, so you must plan accordingly.

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North Shore-LIJ And Regal Heights Announce Affiliation



Left to right: Kwang Lee, Administrator Regal Heights Rehab and Health Care Center; Jack O'Reilly, Managing Partner Regal Heights Rehab. and Health Care Center; William Madden, Managing Partner Regal Heights Rehab and Health Care Center; Dr. S. DeJesus, Medical Director Regal Heights Rehabilitation and Health Care Center; Dr. Howard Guzik, Medical Director, NS-LIJ Stern Center; Jose R. Peralta, Assemblyman; P. Wayne Mahlke, Deputy Chief Of Staff for Hiram Monserrate's office.

To better serve the healthcare needs of the diverse population of seniors in Queens, the North Shore-LIJ Health System announced the signing of a clinical affiliation agreement with Regal Heights Rehabilitation and Health Care Center in Jackson Heights.

"This new affiliation strengthens our working relationship with Regal Heights regarding a number of clinical and educational initiatives focused on geriatric medicine," said Michael Dowling, president and chief executive officer of North Shore-LIJ. "We will pursue opportunities with Regal Heights to share resources and expertise that will enable us to improve the quality of care, enhance coordination and achieve the best patient outcomes."

Creating Online Business Directories

By Mark Simon

Today's challenging economy presents a marketing dilemma for business owners. Trimming waste from the marketing budget makes a lot of sense, and many firms have consequently reduced their presence in publications, trade shows and other channels in response to the business slowdown. Yet, reducing spend too drastically creates great long-term risk: both in terms of letting competitors jump ahead of them and in hiding themselves from potential customers.

Fortunately, online business directories provide a cost-effective way for businesses to stay visible, reach prospects and keep their brands top of mind at nominal cost.

What is an online business directory? It's a virtual meeting ground for buyers and sellers of products, services and consultation. For sellers, online business directories can garner a great deal of traffic. For buyers, directories provide access to a myriad of options to satisfy their needs, organized both by business sector and by geography (which may be a very important factor in their buying decisions). From the perspective of the business owner, I view their business' involvement in a directory as providing the following three (3) vital components that every SMB wants.

1. Credibility

Every business aspires to develop a credible reputation. Affiliating your business with a well known – and well

respected, business directory is one of the quickest and most effective ways to build a trusted brand. After all, no one has ever said that they would rather do business with a "fly-by-night" company!

2. Visibility

Online business directories give member companies a site that can be accessed by millions of potential buyers. Many of these directories are also ranked very highly in search engines such as Google, Yahoo and Bing, where billions of searches are performed each day.

3. Differentiation

Differentiation from your competitors is that all important feature that every business craves. A robust online business directory provides a platform for you to communicate those differentiating points to your clientele that can transform a visitor into a buyer. And if the directory is endorsed by a major business entity, then you have just differentiated yourself from your competition and the rest of the wannabes.

Mark Simon is the General Manager of PowerProfiles.com

If you would like more information about how you can build credibility, gain visibility and differentiate your business from competitors, please call 877-249-0777 extension 216 to speak with Joe O'Connor who is the D&B PowerProfiles.com liaison for Queens Chamber members, or visit www.dnb.powerprofiles.com and look up your business today. Use the coupon code "QCC09" to receive three free months when you upgrade your business' PowerProfile!