



## MTA PAYROLL MOBILITY TAX

In May 2025, the New York State budget included an increase in the Metropolitan Transportation Authority (MTA) Payroll Mobility Tax (PMT). This change is intended to support the MTA's essential services.

### Key Details:

- Effective Date: July 1, 2025
- New Rate: The PMT rate has increased from 0.6% to 0.895%.

### Impact on RF Projects:

- The PMT is an additional employer tax imposed by New York State and will be charged to RF projects as a direct cost expense.
- This expense will appear on project reports under object code 5999, labeled "MTA Payroll Tax."

### Budgeting Guidance:

- When submitting new proposals or renewals, include a separate line item titled "MTA Payroll Tax" in the budget for all planned full-time and part-time employees.
- This tax does not apply to release time or summer salaries.
- To avoid unnecessary charges during rate changes, ensure that unnecessary encumbrances are terminated promptly.

### To calculate the tax:

1. Add all full-time and part-time employee salaries.
2. Multiply the total by 0.00895.

### Example:

If total salaries equal \$100,000, the MTA Payroll Tax would be:  
 $\$100,000 \times 0.00895 = \$895$

If you have any questions, please contact Steve Van Lenten in Payroll.