

## Correction to TSB-M-09(1)MCTMT Metropolitan Commuter Transportation Mobility Tax

This TSB-M corrects the definition of *net earnings from self-employment* that appears on page 5 of TSB-M-09(1)MCTMT, *Metropolitan Commuter Transportation Mobility Tax*. The definition of *net earnings from self-employment* in TSB-M-09(1)MCTMT incorrectly stated that in computing the amount of an individual's net earnings from self-employment subject to the metropolitan commuter transportation mobility tax (MCTMT), individuals should use the amount computed on federal Schedule SE (Form 1040), *Self-Employment Tax*, before multiplying by 92.35%. The correct definition of net earnings from self-employment is as follows:

- *Net earnings from self-employment* means an individual's net earnings from self-employment as defined under section 1402(a) of the Internal Revenue Code (IRC).

Section 1402(a) defines self-employment income subject to social security taxes. However, in computing the amount of net earnings from self-employment subject to the MCTMT, the annual limitation on the amount of net earnings from self-employment subject to social security tax under section 1402(b)(1) does not apply. Accordingly, net earnings from self-employment for purposes of the MCTMT is the amount entered on the **Net earnings from self-employment** line in Section A or Section B of federal Schedule SE (Form 1040), *Self-Employment Tax*.

Additional information on the MCTMT is available on the Tax Department Web site. To receive e-mail notifications containing links to newly posted MCTMT information, sign up for the *Subscription Service* through the Tax Department Web site ([www.nystax.gov](http://www.nystax.gov)).

NOTE: A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.