

Tax Reform Technical Corrections and New York City  
Tax Reduction Act of 1987  
New York City Income Tax Rate Reduction

The Tax Reform Technical Corrections and New York City Tax Reduction Act of 1987 (Chapter 333) amends various sections and adds a new section to the Administrative Code of the City of New York. The law reduces the income tax rates imposed on **resident** individuals, estates and trusts. In addition, the new law provides the benefit of joint filing for married couples to conform to a similar state change.

Section 11-1701 (imposition of tax) of the Administrative Code of the City of New York (Chapter 17 of Title 11) is amended to impose the income tax rate changes and the amount of taxable income subject to each rate. Section 11-1701 establishes three separate tax rate schedules for: (1) married individuals filing jointly and surviving spouses, (2) heads of household and (3) single individuals, married individuals filing separately, and estates and trusts.

The taxpayer's filing status determines the city income tax rate schedule to use. A New York City resident taxpayer's filing status will conform to the state, except that a husband's and wife's filing status will not conform to the state where the following conditions occur:

1. If one spouse is a city resident for the entire year and the other is a city nonresident for the entire year, each spouse must file separately unless both elect to file jointly as if both were city residents for the entire year.
2. A husband and wife who have a change of city resident status during the tax year must file separate returns if they change residence at different times.

The following schedules reflect the New York City resident income tax rates provided for under Section 11-1701(a) of the Administrative Code of the City of New York. However, for taxable years 1990 and thereafter, the city must obtain legislative approval to continue to impose the tax rates under Section 11-1701(a). If the city fails to obtain approval to continue the tax rates under Section 11-1701(a), lower city resident income tax rates which are one-half the subdivision (a) rates will apply under Section 11-1701(b).

1987

The New York City **resident** income tax is to be computed using the following schedules:

Married Filing Jointly and Surviving Spouse\*

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 4,125	1.5%			-0-
4,125	8,250	\$ 62 plus 1.8%		" "	\$ 4,125
8,250	14,850	136 plus 2.2%		" "	8,250
14,850	21,450	281 plus 2.6%		" "	14,850
21,450	28,050	453 plus 3.0%		" "	21,450
28,050	34,650	651 plus 3.4%		" "	28,050
34,650	41,250	875 plus 3.7%		" "	34,650
41,250	99,000	1,119 plus 3.9%		" "	41,250
99,000 . . . . .		3,371 plus 4.1%		" "	99,000

Single, Married Filing Separately and Estates and Trusts

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 2,500	1.5%			-0-
2,500	5,000	\$ 38 plus 1.8%		" "	\$ 2,500
5,000	9,000	83 plus 2.2%		" "	5,000
9,000	13,000	171 plus 2.6%		" "	9,000
13,000	17,000	275 plus 3.0%		" "	13,000
17,000	21,000	395 plus 3.4%		" "	17,000
21,000	25,000	531 plus 3.7%		" "	21,000
25,000	60,000	679 plus 3.9%		" "	25,000
60,000 . . . . .		2,044 plus 4.1%		" "	60,000

Head of a Household

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 2,750	1.5%			-0-
2,750	5,500	\$ 41 plus 1.8%		" "	\$ 2,750
5,500	9,900	91 plus 2.2%		" "	5,500
9,900	14,300	188 plus 2.6%		" "	9,900
14,300	18,700	302 plus 3.0%		" "	14,300
18,700	23,100	434 plus 3.4%		" "	18,700
23,100	27,500	584 plus 3.7%		" "	23,100
27,500	66,000	747 plus 3.9%		" "	27,500
66,000 . . . . .		2,249 plus 4.1%		" "	66,000

\* The income tax forms and instructions refer to surviving spouse as qualifying widow(er) with dependent child.

1988

The New York City **resident** income tax is to be computed using the following schedules:

Married Filing Jointly and Surviving Spouse\*

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 4,500	1.5%			-0-
4,500	16,200	\$ 68 plus 2.2%		" "	\$ 4,500
16,200	27,000	325 plus 2.7%		" "	16,200
27,000	45,000	617 plus 3.2%		" "	27,000
45,000	108,000	1,193 plus 3.4%		" "	45,000
108,000 .....		3,335 plus 3.5%		" "	108,000

Single, Married Filing Separately and Estates and Trusts

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 2,500	1.5%			-0-
2,500	9,000	\$ 38 plus 2.2%		" "	\$ 2,500
9,000	15,000	181 plus 2.7%		" "	9,000
15,000	25,000	343 plus 3.2%		" "	15,000
25,000	60,000	663 plus 3.4%		" "	25,000
60,000 .....		1,853 plus 3.5%		" "	60,000

Head of a Household

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 2,750	1.5%			-0-
2,750	9,900	\$ 41 plus 2.2%		" "	\$ 2,750
9,900	16,500	198 plus 2.7%		" "	9,900
16,500	27,500	376 plus 3.2%		" "	16,500
27,500	66,000	728 plus 3.4%		" "	27,500
66,000 .....		2,037 plus 3.5%		" "	66,000

\* The income tax forms and instructions refer to surviving spouse as qualifying widow(er) with dependent child.

**1989**

The New York City **resident** income tax is to be computed using the following schedules:

Married Filing Jointly and Surviving Spouse

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 14,400		2.2%	"	-0-
14,400	27,000	\$ 317 plus	2.7%	"	\$ 14,400
27,000	45,000	657 plus	3.2%	"	27,000
45,000	108,000	1,233 plus	3.35%	"	45,000
108,000 .....		3,344 plus	3.4%	"	108,000

Single, Married Filing Separately and Estates and Trusts

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 8,000		2.2%	"	-0-
8,000	15,000	\$ 176 plus	2.7%	"	\$ 8,000
15,000	25,000	365 plus	3.2%	"	15,000
25,000	60,000	685 plus	3.35%	"	25,000
60,000 .....		1,858 plus	3.4%	"	60,000

Head of a Household

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 8,800		2.2%	"	-0-
8,800	16,500	\$ 194 plus	2.7%	"	\$ 8,800
16,500	27,500	402 plus	3.2%	"	16,500
27,500	66,000	754 plus	3.35%	"	27,500
66,000 .....		2,044 plus	3.4%	"	66,000

\*The income tax forms and instructions refer to surviving spouse as qualifying widow(er) with dependent child.

**1990**

The New York City **resident** income tax is to be computed using the following schedules:

Married Filing Jointly and Surviving Spouse

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 18,000		2.4%	"	-0-
18,000	27,000	\$ 432 plus	3.0%	"	\$ 18,000
27,000	36,000	702 plus	3.2%	"	27,000
36,000	90,000	990 plus	3.3%	"	36,000
90,000 .....		2,772 plus	3.4%	"	90,000

Single, Married Filing Separately and Estates and Trusts

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 10,000		2.4%	"	-0-
10,000	15,000	\$ 240 plus	3.0%	"	\$ 10,000
15,000	20,000	390 plus	3.2%	"	15,000
20,000	50,000	550 plus	3.3%	"	20,000
50,000 .....		1,540 plus	3.4%	"	50,000

Head of a Household

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 12,000		2.4%	"	-0-
12,000	18,000	\$ 288 plus	3.0%	"	\$ 12,000
18,000	24,000	468 plus	3.2%	"	18,000
24,000	60,000	660 plus	3.3%	"	24,000
60,000 .....		1,848 plus	3.4%	"	60,000

\*The income tax forms and instructions refer to surviving spouse as qualifying widow(er) with dependent child.

**1991 and After**

The New York City resident income tax is to be computed using the following schedules:

**Married Filing Jointly and Surviving Spouse**

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 21,600	2.7%		"	-0-
21,600	45,000	\$ 583 plus 3.3%		"	\$ 21,600
45,000	90,000	1,355 plus 3.35%		"	45,000
90,000 .....		2,863 plus 3.4%		"	90,000

**Single, Married Filing Separately and Estates and Trusts**

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 12,000	2.7%		"	-0-
12,000	25,000	\$ 324 plus 3.3%		"	\$ 12,000
25,000	50,000	753 plus 3.35%		"	25,000
50,000 .....		1,591 plus 3.4%		"	50,000

**Head of a Household**

If the New York City taxable income is:

<b>over</b>	<b>not over</b>	<b>tax</b>		<b>of amount over</b>	
\$ 0	\$ 14,400	2.7%		"	-0-
14,400	30,000	\$ 389 plus 3.3%		"	\$ 14,400
30,000	60,000	904 plus 3.35%		"	30,000
60,000 .....		1,909 plus 3.4%		"	60,000

\*The income tax forms and instructions refer to surviving spouse as qualifying widow(er) with dependent child.