KEEP NYC CONGESTION TAX FREE

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CONGESTION TAX – CAN'T SAVE THE FARE; NOT ENOUGH FOR PROJECTS 8th Truth: Congestion Tax – Projects and Promises Just Do Not Add Up

Keep NYC Congestion Tax Free announced the Eighth *Truth About* the City congestion tax plan to assist the public, their elected officials and the members of the commission as they move to a more deliberative stage: The Congestion tax's meager – if any – revenues have been promised many times over.

In government, the carrot often becomes the approach to get the political support one needs to advance a goal. The problem arises when the promises exceed the ability to deliver. Of course payment often comes after the deal gets sealed. That rude awakening awaits supporters of congestion pricing who based their support on promises of projects, or even to save the fare.

The City's plan anticipates \$390 million in annual net revenue. We know those estimates as more than generous. Those who would impose the regressive Congestion Tax argue it would provide funds needed for mass transit projects. [source:http://www.campaignfornewyork.org/factsheets/Congestion%20Pricing%20Talking%20Points.pdf, page 1]. The numbers just never added up. Or maybe they added up too many times over. Look at the record of promises: Second Avenue Subway, the 7 line extension to the Far West Side, East Side Access, new MetroNorth stations at Co-op City and Parkchester, reactivated LIRR stations in Corona and Elmhurst, a downtown rail link to Jamaica center, various bus rapid transit and more ferries. And then there was the fare that did not get "saved."

At this time when many New Yorkers are about to exchange gifts, this smacks of giving a gift card that implies multiple uses at Macy's, Sear's, Best Buy and Century 21 and learning the card in fact has but one application.

Those that embrace the City's congestion tax want the revenue for mass transit projects they (and likely we support). Better revenue options exist. This includes restoration of the commuter tax advocated by the Queen Civic Congress: The city would collect some one billion dollars from out of state workers and the suburban counties would keep the revenue its residents generate. Among all the alternative revenue measures, this plan remains not only the most efficient but also more fairly apportions the burden of paying taxes. More importantly, the City really needs to press D.C. and Albany for transit aid. When one of our brightest local lights chairs the House Ways and Means Committee and many other Members hold other senior posts in Congress, why not get for NYC what AZ gets? To not seek such funding represents an abdication; the lack of any plan to capture appropriate federal aid and relief for mass transit staggers the mind.

And let's not forget that <u>Alternative Approaches</u> allows a non-intrusive, low-cost (almost no cost) to build and operate plan to impact congestion and raise needed revenues.

<u>Previous Truths:</u> #1 City's Congestion Tax does not meet supporters' claims;

#2 City's Congestion Scheme Would Privatize Jobs and Waive Buy American;

#3 The Public Knows Better on City's Congestion Scheme;

#4 The Unfair Congestion Tax;

#5 Just Not the Season.

#6 Live Outside the City, Pay No Congestion Tax

#7 Congestion Tax – East River Tolls give a free-pass to non-residents