

The Neighborhood Retail Alliance

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CONGESTION TAX HURTS SMALL BUSINESS

A diverse group of small business and retail leaders, including restaurant industry, retailers and small contractors representatives announced their opposition to the congestion pricing tax feature of PlaNYC. At a news conference outside of Guantanamera Restaurant on 8th Avenue, Chuck Hunt of the New York State Restaurant Association, Marlen Lugones of the Independent Beer Wholesalers, Steve Barrison of the Small Business Congress of New York City, Louis Nunez of the Latino Restaurant Association and Reuben Levine of Scientific Fire Prevention, joined by Walter McCaffrey of *Keep NYC Congestion Tax Free*, also voiced support for those legislators who insist the tax scheme undergo a thorough and independent review.

“We find this congestion tax would place an unnecessary burden on the city’s wholesalers and small contractors who would face a \$21 tax on every truck that makes a delivery or service call into the congestion zone,” stated Steve Barrison of the Small Business Congress of New York City. “The congestion charge is simply another tax on business in a city that already ranks among the highest in the nation in taxes levied on its citizens.”

“If other cities with the same tax scheme offer any guide,” We know this initial tax will only get hiked higher,” Marlen Lugones of the Independent Beer Wholesalers. “Making this situation worse, the truck tax will do nothing to alleviate the traffic congestion that all New Yorkers want to see reduced, since deliveries will still have to be made.”

The group warns that the \$21 tax on delivery and service vehicles, will inevitably be passed on to the customers of all of the retailers, residents, restaurant operators and night club owners in the city. “With our sales force and 65 service workers and mechanics, this tax means \$10,000 month minimum to my company’s bottom line,” explained Reuben Levine, Chief Operating Officer, Scientific Fire Prevention, which services some 3,000 restaurants, cafeterias and other commercial kitchens in Manhattan.

“The failure of the scheme’s proponents to examine the gauge the economic impacts of the planned tax demonstrate an outright disregard for small businesspeople and our customers,” stated Louis Nunez of the Latino Restaurant Association. “Before implementing any far-reaching change like a congestion pricing tax, a great deal of analysis needs to be done to insure no negative impact on restaurants and small and minority businesses. Minority distributors are particularly vulnerable to increased costs of doing business, and we fear that this tax will disproportionately hurt this sector.”

“All of New York’s small business, and the entire neighborhood retail sector, want to join with the Mayor, the City Council and the State legislature in crafting a comprehensive plan to reduce environmentally damaging traffic congestion,” stated Barrison. “We need a citywide plan, however, that gives greater care to ensuring that our city’s most vulnerable firms can remain viable,” added Nunez. Lugones added, “No need exists make our community face the sacrifice of our businesses in pursuit of in the name of the environment.” Hunt concluded, “The current plan falls short and requires a substantial re-write.”