

Keep NYC Congestion Tax Free

Alternative Revenues to Fund MTA Capital Plan

July 31, 2024

Consider this list of 12 substantial alternative, equitable and sustainable resources that can also leverage more than \$60 billion in new borrowing:

- ▶ 1) Adding 0.625% to current MTA Sales Tax within New York City raises \$1 billion annually which based on bonding raising the alleged \$15 billion claimed for by Congestion pricing (which it would not realize)
- ▶ 2) Extending above (adding 0.625% to current MTA Sales Tax) to the MTA counties could raise even more for suburban transit.
- ▶ 3) Non-resident income tax double old rate equitably splitting proceeds for transit needs across MTA region \$2 billion which means \$30 billion in borrowing.
- ▶ 4) 1 percentage-point surcharge on the City's hotel tax raises \$97 million
- ▶ 5) An assessment equal to 5% of real property tax due on commercial property in Manhattan raises \$408 million
- ▶ 6) \$1 per square foot surcharge on commercial and industrial property below 59th Street raises \$664 million
- ▶ 7) Combining above 5% assessment and \$1 per square foot surcharge leverage more \$15 billion in borrowing.
- ▶ 8) Market rate fees for street closures raises \$600 million which leverages another \$9 billion in borrowing.
- ▶ 9) Restore NYS & NYC Stock Transfer Tax (end rebate); fully applied raises \$14 billion annually.
- ▶ 10) Pied-a-terre tax \$650 million.
- ▶ 11) Collecting evaded fares and tolls \$700 million.
- ▶ 12) Restore State and City General Revenue funding of the Capital Program (during the Giuliani (in FY'95 NYC cut \$400 million) and Pataki administration (In 1982-1986, the state gave \$1,509 million; in 1987-1991, the state gave \$879 million). Direct governmental [capital] subsidies reached a peak of \$5.2 billion in the 1987-1991 plan and then fell in each of the two subsequent plans. These subsidies accounted for 55 percent of the capital financing in the 1982-1986 plan and 64 percent in the 1987-1991 plan, but only 39 percent in the 1995-1999 plan. (NYC IBO August 1999).

None of the above cover an ongoing need to address waste, inefficiency, mismanagement in MTA operations and capital spending and thus impose fiscal responsibility and controls on MTA operations and its Capital Program. No. 12 above speaks to the need to fund the MTA Capital Program the same way NYC and NYS fund their regular capital programs; funding for public transit should be a priority in the same manner the city and state fund schools, hospitals, senior center, roads, libraries, museums and parks. Finally, since Public Transit fuels the City economy which fuels the state economy which fuels the U.S. economy, it remains important and justified to secure steady stream of capital funding from the Federal government; the federal government must come through with substantial funding for the Public transit system that fuels the economy of the city and state the fuel the national economy. For more info, contact [Corey Bearak](#).

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[Keep NYC Congestion Tax Free](#), a diverse coalition of civic, business, and labor organizations and businesses throughout New York City, argues that implementing a tax on vehicles traveling south of 60th Street in Manhattan will, among other things, permanently damage efforts to revitalize the two districts.