

**TLC Commercial Motor Vehicle Tax PEG Proposal
May 2011 MOD**

As part of the FY12 Executive Plan revenue PEG proposal, TLC proposed to raise additional \$600,000 from collecting additional Commercial Motor Vehicle Tax on For Hire Vehicles (FHV) that are licensed/operating in NY State but registered in other States. TLC estimates that there are about 1,500 such FHVs and each FHV owes the City \$400 CMVT. This will result in \$600,000 additional revenue each fiscal year going forward.

In order to achieve this revenue proposal, TLC plans to take over the collection function of the CMVT for its licenses. In order to change the Administrative Codes to shift collection responsibility, TLC needs law changes through the City Council. Once TLC takes over the collection responsibility, it will change the internal codes so that they can collect CMVT from FHVs that are licensed/operating in NY State but registered in other States.

TLC licensed Commercial Motor Vehicles registered outside of NYS*	NJ	1,660
	CT	51
	MA	3
		<u>1,714</u>
 Tax per Vehicle (per year)		 \$400
 Revenue increase in YR1 (750 x \$400) FY2012		 \$300,000
Revenue increase in YR2 (1,500** x \$400) FY2013-2015		\$600,000

*Data from TLC

** Assumed enforcement doubles in the second year