



Legislation Text

File #: Res 0841-2007, **Version:** *

Res. No. 841

Resolution calling upon the State Legislature and the Governor to enact A. 7012, legislation authorizing the City to reinstate the modest charge on non-residents who work in the City for their use of City services, also known as the “commuter tax”.

By Council Members Nelson, Avella, Brewer, Felder, Fidler, Gentile, James, Sanders Jr., Stewart, Weprin, Vallone Jr., Gioia, Arroyo, Dilan, Garodnick, Gerson, Gonzalez, Koppell, Jackson, Mealy, Palma, Yassky and Oddo

Whereas, From 1971 until 1999, non-residents who worked in New York City were subject to an income tax equal to .45 percent of wages and salaries earned in the City (the “commuter tax”); and

Whereas, This tax was set at a modest rate of less than one-half of one percent of wages earned in the City, and cost the average commuter less than the price of a subway token each day; and

Whereas, In 1999, the State Legislature adopted, and the Governor signed, legislation repealing the commuter tax; and

Whereas, A 2001 *New York State Network for Economic Research* report found that commuters cost the City between 2.2 and 3.8 percent of the City’s budget, or between \$1.2 and \$1.9 billion annually; and

Whereas, The City, according the Fiscal 2008 Executive Budget, proposes to spend \$3.5 billion alone on its Police Department; and

Whereas, Persons who work in the City, both residents and non-residents alike, rely on police, fire, sanitation, transportation, and other City services and should assume some of the cost of providing such services; and

Whereas, In the last few years since the events of September 11th, the City has been on a heightened state of alert, requiring additional police, fire and emergency services to respond to numerous threats, and requiring an

increase in police presence at trains, subways and tourist attractions; and

Whereas, These emergency and other protective services - as is the case with other City services - are provided without regard to whether the lives being protected are those of New York City residents or those of the commuters working in the City but living elsewhere; and

Whereas, The ideal revenue source to provide for such an increase in the cost of these services is to reinstate the commuter tax, especially considering that the repeal of the commuter tax has cost New York City approximately \$500 million annually in revenues over the last 3 years; and

Whereas, In February 2007, Assemblyman Lopez introduced A. 7012, an Act which would authorize the City to reinstitute the modest commuter tax, and since the events of September 11th has renewed calls for action on the proposed legislation in light of increases in emergency and protective services required to safeguard those who work and live in the City; now therefore, be it

Resolved, That the Council of the City of New York calls upon the State Legislature and the Governor to support A. 7012, legislation authorizing the City to reinstate the modest charge on non-residents who work in the City for their use of City services, also known as the “commuter tax.”

AB
LS# 3019
4/27/07