



Legislation Text

File #: Res 0795-2003, Version: *

Preconsidered Res. No. 795

Resolution calling upon the State Legislature and the Governor to support the imposition of a Fair Share Commuter Tax/Reverse Commuter Reimbursement Program, which would consist of a commuter tax imposed upon non-New York City residents, as well as an undertaking by the City to effectively reimburse the surrounding suburban New York counties for the City residents who commute to those counties at the same rate as that paid by the suburban county residents who commute to the City.

By the Speaker (Council Member Miller) and Council Members Rivera, Nelson, Baez, Brewer, Comrie, Davis, Fidler, Gennaro, Gentile, Katz, Liu, Lopez, Martinez, Perkins, Quinn, Recchia, Reed, Sanders, Seabrook, Sears, Serrano, Stewart, Weprin, Yassky and The Public Advocate (Ms. Gotbaum)

Whereas, Since the State legislature adopted, and the Governor signed, legislation eliminating New York City's modest "commuter tax" in 1999, the approximately 800,000 non-resident workers who come to the City each day to earn their living pay no tax to the City on income they earn in the City; and

Whereas, Furthermore, the 140,000 City residents who leave the City each day to work in neighboring New York counties, such as Nassau, Suffolk and Westchester, similarly, do not contribute to the tax base of those jurisdictions; and

Whereas, All commuters make substantial use of the services provided by the jurisdictions in which they spend their work-weeks; and

Whereas, Since the repeal of the "commuter tax" in 1999, the City has lost almost \$500 million per year for a total of almost \$2 billion in lost revenues, an amount which would virtually eliminate the remaining budget deficit faced by the City at this time of fiscal crisis; and

Whereas, New York City and many of its neighboring metropolitan area counties are experiencing serious fiscal difficulties, and have taken steps to increase revenues from their respective residents and significantly reduce costs; and

Whereas, The fairest way to assist the region is to provide for a mechanism through which localities - even those who do not currently have local personal income taxes and therefore could not impose their own commuter taxes - could receive assistance for essential services such as police, public safety and infrastructure costs that they provide for commuters who spend substantial amounts of time in such localities; and

Whereas, The Fair Share Commuter Tax/Reverse Commuter Reimbursement Program would require the State to authorize a commuter tax on non-resident workers in New York City at a rate of 1.1 percent; and

Whereas, Furthermore, this Program would allow New York City to, in effect, reimburse the suburban counties in the State for the services used by City residents who work in those counties, at an amount equal to 1.1 percent of the wages earned by City reverse commuters; and

Whereas, This reverse commuter reimbursement would be accomplished through a Memorandum of Understanding entered into between City and State executives and legislative leaders, pursuant to which the State would withhold and remit to the surrounding counties an amount equal to 1.1 percent of the wages earned by New York City residents who commute to those counties; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the State Legislature and the Governor to support the imposition of a Fair Share Commuter Tax/Reverse Commuter Reimbursement Program, which would consist of a commuter tax imposed upon non-New York City residents, as well as an undertaking by the City to effectively reimburse the surrounding suburban New York counties for the City residents who commute to those counties at the same rate as that paid by the suburban county residents who commute to the City.

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