



Legislation Text

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Res. No. 292

Resolution calling upon the New York State Legislature to reject the Governor's proposed four percent surcharge on admission to sporting events and amusement parks.

By Council Members Nelson, Avella, Gennaro, Gentile and Liu

Whereas, The Governor's Executive Budget for State Fiscal Year 2004-05 contains a proposal for the enactment of a four percent surcharge on admission charges to or for the use of amusement parks and sporting events other than race tracks, boxing or wrestling matches or sporting events in which the attendee is a participant; and

Whereas, This surcharge would be in addition to the State and local sales taxes, currently totaling 8.625 percent, already imposed on such admission charges pursuant to Articles 28 and 29 of the State Tax Law; and

Whereas, News reports have indicated that this surcharge could add one to two dollars to the cost of the average sporting event; and

Whereas, This surcharge could impact working families and have an adverse impact on the State's sports franchises, two concerns raised by the Chair of the Assembly's Tourism, Arts and Sports Development Committee; and

Whereas, This surcharge could also impact tourism, especially domestic visitors who come to the City for the day and who, according to NYC and Company, spend on average over \$150, because in 2001 11 percent of the almost 17 million daytrips to the City involved a trip to a sporting event; and

Whereas, Although the Governor's proposal would require the revenue raised by this surcharge to be deposited into an account in order to fund certain public safety initiatives including homeland security initiatives, this proposal is another example of the State raising revenues in the City and spending these

revenues in other parts of the State; and

Whereas, The proposed surcharge on admission charges, together with a related surcharge on detective and protective services proposed by the Governor, would generate approximately \$29 million from New York City, yet, according to the State Department of the Budget, New York City's public safety agencies would only realize a net benefit of \$22 million from the Governor's budget proposals; and

Whereas, Most of the \$22 million which City public safety agencies would receive from the Governor's proposed budget could be accounted for from revenues proposed to be raised within the City by other initiatives proposed by the Governor, including a proposed tax on City residents' vehicle insurance policies and charges on City probationers; and

Whereas, In effect the Governor is proposing that the City tax and charge itself to fund its security and public safety needs -- while calling this State assistance-- and further proposing to levy additional surcharges including the one on admission charges to help fund the rest of the State's public safety needs; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to reject the Governor's proposed four percent surcharge on admission to sporting events and amusement parks.