



Legislation Text

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Res. No. 1218

Resolution calling upon the New York State Legislature to enact a one-third of one percent (.33%) payroll tax, to be imposed on businesses within the City of New York and within the surrounding counties of Nassau, Suffolk, Westchester and Rockland, and to create a regional authority to administer this revenue, which would be dedicated to improving and maintaining subways, commuter rails, highways, bridges and tunnels within the greater New York City region.

By Council Members Fidler, Comrie, White Jr., Sanders Jr., Reyna, Stewart, Barron, Foster, Felder, Seabrook, Gonzalez, James and Nelson

Whereas, A congestion pricing system, which imposes a fee on motorists who drive into Manhattan's central business district, would only tax a relatively small number of residents of the City and its surrounding regions to attempt to solve a congestion problem that plagues an entire region; and

Whereas, Transportation and the act of commuting to work are regional issues, not merely limited to residents living within the City or within a particular area of the City, and congestion and traffic are not limited to the central business district of Manhattan; and

Whereas, To address a regional congestion problem, the beneficiaries from improvements in subways, commuter rails, highways, bridges and tunnels within the greater New York City region should help to pay for such improvements; and

Whereas, A one-third of one percent (.33%) payroll tax represents a small burden that would be fairly spread across a large base; and

Whereas, All businesses rely on people who commute to work or commute to shop or do business with their company; and

Whereas, The one-third of one percent payroll tax could be administered by a regional authority, so it would not effectively be a commuter tax, but rather a tax to improve services for commuters; and

Whereas, According to projections by the New York City Independent Budget Office, in its first year, such a tax would generate an estimated one billion dollars in revenue, with that amount doubling per annum in fifteen years; and

Whereas, Such a regional payroll tax would be far more efficient than a congestion pricing plan, which would require that a high percentage of the revenue generated go to collection costs, and would generate far more revenue for transit and transportation infrastructure than congestion pricing; and

Whereas, In its first year of collection, a regional payroll tax would generate approximately \$300 million more than the combined amount of the \$390 million in projected annual revenue from the Mayor's congestion pricing plan and one shot \$354 million in Federal aid; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to enact a one-third of one percent (.33%) payroll tax, to be imposed on businesses within the City of New York and within the surrounding counties of Nassau, Suffolk, Westchester and Rockland, and to create a regional authority to administer this revenue, which would be dedicated to improving and maintaining subways, commuter rails, highways, bridges and tunnels within the greater New York City region.

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