

This Time It's For Real

The MTA, which still needs to open its books, must come clean when it discusses revenues. Early last month, Keep NYC Free's [post](#) on revenues, disclosed an apparent play with the dollars MTA estimated. The shortfalls that spurred service cuts were based on revenue estimates that may not have been so short. Thus, another look at the new revenues authorized by the State legislature makes sense as the MTA released its latest budget.

While it now appears likely that the recession may impact dedicated revenues short-term, any upturn later in the fiscal year may offset such projections. Thus any possible shortfall looks to be modest relative to the MTA's previous budget and financial plan. And in fact, the MTA's cost-cutting measures appear to adequate to cover the shortfall. The MTA already included non-dedicated revenues from fares and tolls in the 2009 version of its financial plan.

What this makes plain is no apparent need in the near term for additional MTA subsidies. And MTA chair Jay Walder made no request for any.

In total, based on all the revenues authorized and dedicated to the MTA by the legislature to subsidize the MTA, the MTA can anticipate more than \$1.6 billion. This includes:

- ◆ \$1.283 billion from the payroll tax;
- ◆ \$182 million from increased auto registration fees (an additional \$25 per year);
- ◆ \$85 million from the 50-cent-per-ride taxi tax;
- ◆ \$35 million from a 5 percent tax on auto rentals; an
- ◆ \$27 million from a \$2-a-year surcharge on driver's licenses and learner's permits.

For the next several years, the primary legislative objective for the MTA should be to ensure a strong economic recovery; doing so boosts the MTA's existing dedicated revenues and revenues from transit and bridge and tunnel use. This makes unnecessary, any plan that would argue for imposing any new taxes (including congestion pricing or a toll-tax varieant) to support mass transit.

This also makes plain internal opportunities to reverse and reduce the recent service cuts remain at hand and require examination and consideration by the MTA and the legislature. As [Southside Johnny](#) sang last week in [Coney Island](#), [This Time It's For Real](#).