# Press Release

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**For Immediate Release**

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## Legislator Day Initiates Review for Joint Legal Action to Rollback the MTA Payroll Mobility Tax

New City, NY (August 9th, 2010) – Rockland County Legislator Edwin Day (New City-Haverstraw), Deputy Minority Leader, has formally requested that Rockland County join other suburban counties in litigation against New York State that is designed to overturn the Metropolitan Transit Authority (MTA) Payroll Mobility tax.

"Last year, our illustrious State legislature foisted this egregious payroll tax upon each and every person in Rockland County, further exacerbating the so called transportation value gap where we now pay $106 million each year in order to receive only $46 million in value. That is a paltry 43 cents back for each dollar we give. While we in Rockland chart a course of withdrawal from the MTA 'Consortium of Inequity', an action which I sponsored last year, these critical financial times compel us to use any and all strategies at our disposal to stop the bleeding of Rockland taxpayers," said Legislator Day.

During discussions with Putnam County Legislative Chairman Vincent Tamagna, Legislator Day determined that they have joined with Nassau County in having the MTA tax overturned as unconstitutional. Additionally, three towns in Orange County have signed onto the lawsuit. Some of the legal grounds being explored include the passage of the tax without the required two-thirds vote of the legislature; implementing more than one appropriation in violation of Article VII of the State Constitution; a defacto, yet illegal, amending of the Vehicular and Traffic law; and a violation of the New York Public Authorities Law, which mandates that the MTA be self-sustaining.

The payroll tax, in the amount of $0.34 per $100 of payroll, is paid by all businesses, local government, schools, hospitals, and nonprofit agencies within the twelve county MTA region. The cost of the tax is largely borne by residents through increased costs for goods, services, and in local property and school taxes. In the Hudson Valley, where the four counties (Rockland, Orange, Putnam, and Dutchess) share one vote on the MTA Board, the cost is estimated to be $60 million for 2009.

Legislator Day observed that just a few days ago, an MTA spokesman again claimed that the "payroll tax is an important revenue source, and its existence prevented service cuts and fare increase from being worse". At the same time, an audit conducted by the State Comptroller identified $56 million dollars in overtime costs that could be saved annually by better management.

In comparing the two amounts, Legislator Day commented that "It seems to me that the Payroll Mobility Tax has nothing to do with better service or lower fares, but truly is the MTA's 'overtime abuse fund' that we in the Hudson Valley are funding. Better management would immediately eliminate both this abuse and the need for this job killing and unfair tax. The MTA's observations shows just how out of touch and arrogant the MTA truly is."

"By banding together, we can better bring the fight to both the State and the MTA beast that is taking more and more, giving us less and less, and charging us more for the privilege. I look to do this in an effective, cost efficient manner, and in defense of our beleaguered taxpayers here in Rockland," concluded Legislator Day.

The matter is scheduled to be heard at the next meeting of the Legislature's Economic Development Committee.

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