



NEW YORK STATE SENATOR

Owen H. Johnson

Senator Owen H. Johnson Calls for the Repeal of the Mta Payroll Tax

OWEN H. JOHNSON December 4, 2009

| ISSUE: **MTA (METROPOLITAN TRANSPORTATION AUTHORITY)**



Sen. Owen H. Johnson, flanked by fellow Republican Long Island Senators, business owners and non-profit organization leaders, calls for the repeal of the MTA Payroll Tax.

The new tax, passed by the Democratically controlled Legislature and signed by governor David Paterson in May, is part of a \$1.5 billion MTA bailout plan and is retroactive to March 1, 2009.

Every Republican in the Senate voted against the bailout to protect taxpayers from facing additional tax increases and further job losses that would jeopardize businesses at the worst possible economic time.

According to the New York State Comptroller's Office, the impact of the MTA payroll tax on businesses and nonprofits in Suffolk County alone is \$87.9 million.

The plan will also force local governments, already asked to do more with less, to pay the tax at a cost of \$4.3 million. That is a cost that will be made up through either budget cuts or increased taxes that will have to be paid by taxpayers.

Additionally, the tax will have to be paid by nonprofit organizations that serve the neediest of our society. This will force these nonprofits to make the difficult decision of whether to cut programs or cut workforce and could ultimately have a damaging effect on our communities.