



NEW YORK STATE SENATOR

Mario R. Mattera

Long Island Senators Join Together To Fight MTA Payroll Tax Increases

MARIO R. MATTERA May 5, 2025

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Senator Mario R. Mattera (2nd Senate District), in response to efforts by to increase the Metropolitan Transportation Authority (MTA) Payroll Tax, joined his colleagues in the New York State Senate representing the MTA Region showed their collective displeasure with including this overreach into the now month overdue state budget. According to news reports, this tax would hit New York City businesses with payrolls of at least \$10 million a year with a 0.895% tax (up from 0.6%) and those on Long Island, and in Westchester, Dutchess, Orange, Putnam, and Rockland counties with a 0.635% tax (up from 0.34%).

Majorities in Albany are once again treating New Yorkers and New York's businesses as the ATM machine for the MTA and New York State. And in doing so, they are speeding up the huge exodus of New Yorkers who are fleeing the Empire State for more affordable parts of the country. Ballooning budget numbers year after year reflect a disconnect between Albany Democrats and reality. The looming mobility tax is the latest example of just how out of touch they are with the needs and concerns of the very people they were elected to represent.

This budget includes a 5-year allocation to the tune of \$68.4 billion to fully fund the MTA's capital improvement plan. That is on top of the recently-enacted congestion pricing scheme that is costing drivers more each time they travel into the City.

As a member of the New York State Senate's Transportation Committee, Senator Mattera knows that the MTA has to a better job before it asks for more funds from New Yorkers: "It is time for the leaders of the MTA to figure out how to run the system without adding to the burden our taxpayers face or cutting the jobs of the workers who keep our trains moving. The MTA has become a constant drain on our state and our taxpayers. Long Islanders are tired of being an ATM machine for the MTA and New York State and that must end. Many of the MTA's problems are self-inflicted and the solution can't always be having their hand out or cutting staff."

"New budget, same old story! Once again, the MTA says it needs billions more and instead of cleaning up their own fiscal mess, the plan is to reach further into the pockets of New Yorkers. The problem is that this story ends with New Yorkers leaving the state in droves. They've had enough. Congestion pricing, fare increases and now taxing jobs with an increase to the MTA payroll tax — people are asking, 'where does it end?' The answer is... in some other state," said Senator Dean Murray (3rd Senate District).

"The MTA is proof that we cannot fix most things simply by throwing more and more money at it. No matter how much we spend, it appears that things get worse and it's never enough. The MTA needs accountability and leadership. The last thing we need is another job killing payroll tax to fund the MTA. It's time to audit the MTA and hold them accountable for the \$20 billion they already spend annually," said Senator Jack M. Martins (7th Senate District).

"It's outrageous that the Governor, Assembly Speaker, and Senate Majority Leader are seriously considering slapping yet another tax on businesses in the MTA region through a payroll mobility tax in the FY 2026 State Budget. New York is already bleeding jobs and employers, and this tone-deaf proposal will only drive more businesses out of our state. Before a single new tax is even discussed, the MTA must undergo a full, top-to-bottom forensic audit. I categorically oppose this frivolous cash grab," stated Senator Bill Weber (38th Senate District).

“Albany continues to treat Long Islanders like an ATM, forcing us to subsidize the MTA’s failure to reform itself. Rather than holding this bloated agency accountable, they’ve chosen to squeeze our businesses and commuters even more. This tax hike is unjustified, unsustainable, and driving people out of New York,” stated Senator Patricia Canzoneri-Fitzpatrick (9th Senate District).

The egregious wasteful spending at the MTA is a slap in the face to every taxpayer in the MTA region:

- **MTA has spent over \$900M in consultant costs for the 2nd Avenue Subway**
- **Phase 2 of the 2nd Avenue subway cost \$4.3 billion per mile**
- **New staircase and entryway at Times Square subway station cost the MTA \$30 million**
- **MTA installed 910 cameras in 32 subway stations at a cost of \$21.3 million - that comes out to \$23,000 per camera**
- **The MTA has spent over \$650 million on security camera projects since 2002.**
- **Spent \$1 million on a study to examine “psychology” of fare evaders.**
- **The cost to construct a subway in NYC is 8 to 12 times that of constructing a subway in Europe and 3 times the cost to construct a subway line in Los Angeles.**
- **NYC 2nd Avenue Subway - \$2.6 billion per mile**
- **LA’s Purple Line Subway - \$800 million per mile**
- **Madrid subway - \$320 million per mile**
- **Paris subway - \$160 million per mile**
- **MTA lost nearly \$700 million in unpaid bus and subway fares in 2022**

“The MTA is not aggressively addressing fare evasion, and they want to pick the pockets of hard working New Yorkers? Who’s really getting rich here?” said Senator Steve Chan (17th Senate District).

“For six disastrous years Senate Democrats have made New York State less safe and unaffordable. This year’s budget shows no indication that they are willing to change course. An MTA payroll tax

will be a killer for Long Island businesses and families and will worsen New York's affordability crisis. At a time when residents are clamoring for relief, they are getting hit with a crushing burden," stated Senator Anthony Palumbo (1st Senate District).

"Hochul's latest proposed tax hike is just more fuel on the fire driving businesses and families out of New York. The Governor can't talk about affordability with a straight face while hammering job creators—on top of congestion pricing. How much more do Democrats think New Yorkers can take? The MTA is a black hole for taxpayer dollars—money goes in, nothing comes out, and somehow they always need more. It's a microcosm of Albany itself under one-party rule. Instead of finding creative ways to take more money from taxpayers, why don't we ask where the hell the hundreds of billions they already send to Albany each year is actually going? That's why I'm continuing my call for a full forensic audit of the MTA and for passage of my legislation requiring a supermajority to enact any tax or fee increase," stated Senator Steve Rhoads (5th Senate District).

"It's plain and simple: this is a direct tax on employees. The proposed MTA payroll tax will limit employers' ability to attract and retain top-tier talent, stifle job creation, and force businesses to make tough decisions that ultimately hurt hardworking employees across the MTA region — especially in the Hudson Valley. Our communities don't have an endless stream of resources, and this added burden places unnecessary strain on both our workforce and our economy," stated Senator Rob Rolison (39th Senate District).

"If we keep giving the MTA endless streams of money, when will they ever learn to run efficiently? These taxes are driving businesses and families out of New York," stated Senator Alexis Weik (8th Senate District).

New York State is heading down a dangerous path, if it's not already too far down it. We simply cannot continue to bleed the very individuals who fund Albany's mistakes and expect to spend at the rate we are spending. The members of the Senate who joined together today have again and again pushed the legislature to hold the MTA accountable and create a commission to audit the MTA.

There's only so much water before New York's well runs dry.