



NEW YORK STATE SENATOR

Greg Ball

Ball Continues Assault on MTA Payroll Tax

GREG BALL March 22, 2011

| ISSUE: **PAYROLL TAX**

Calls for Full Forensic Audit, and Full Repeal of MTA Payroll Tax

Senator Greg Ball (R, C—Patterson) continued his assault on the MTA pay roll tax today, calling for a full repeal of the tax and an immediate forensic audit of the entire MTA.

Senator Ball has been working with the Senate Majority Conference to ensure the inclusion of a full forensic audit of the MTA in the state's 2011 transportation budget, as well as a stipulation that the audit be conducted within six months of the budgets passage.

Yesterday at the first hearing for the state's transportation budget, there was some opposition from members of the Assembly who felt the two million dollar price tag for the forensic audit was too steep. In response Senator Ball remarked "Every penny of the two million dollars we spend on a forensic accounting will be recouped when we finally see where all of the money is going. We can either spend the money now, and fix the problem, or the state can continue to increase taxes while having to bailout the MTA year after year

The last MTA bailout bill in 2009 cost the state 2.26 billion dollars. In the past decade the MTA has been involved in multiple scandals involving the mismanagement of funds, including the renovations to MTA headquarters which went one-million dollars over the

proposed budget. According to reports the MTA now has plans for a 184 million dollar renovation to the 400,000-square-foot Jay Street building in Brooklyn, which once housed the headquarters of MTA New York City Transit. The MTA continues to pay the city rent on the building despite the fact that for almost a decade, it has stood empty.

Ball remarked, "this MTA payroll tax is the final nail in the coffin of a state that is trending vociferously into a downward spiral. Those in Albany who think taxes are the answer to every problem must finally hear from the Hudson Valley and beyond that we are taxed beyond our ability to pay and we are simply not going to take it anymore."

Senator Ball is also continuing his fight for a full repeal of the MTA Payroll Tax. He announced today his plan to also push forward legislation which will exempt self employed persons from having to pay the current tax which is being levied on their businesses. As it stands now businesses are being taxed thirty-four cents for every one-hundred dollars they pay in wages to their employees. The tax is estimated to have cost Hudson Valley employers \$165.3 Million in 2010.

Ball has been fighting to get the tax repealed since it was instated in 2009. The Senator believes the tax is an unfair and unnecessary burden which has been placed on his constituents in the Hudson Valley. "We pay taxes to the MTA, a service that many in the Hudson valley are not even using."