



THE CITY OF NEW YORK
INDEPENDENT BUDGET OFFICE

110 WILLIAM STREET, 14TH FLOOR
NEW YORK, NEW YORK 10038
(212) 442-0632 • FAX (212) 442-0350 • EMAIL: iboenews@ibo.nyc.ny.us
<http://www.ibo.nyc.ny.us>

FOR IMMEDIATE RELEASE
December 2, 2015

Dozens of Ways to Cut Costs or Increase Revenues: The 15th Edition of IBO's *Budget Options for New York City*

The New York City Independent Budget Office today released its 15th annual edition of *Budget Options for New York City*. This latest volume examines nearly 90 ways to cut city costs or raise revenues, and each option is presented with arguments for and against its implementation. The report is available online: <http://bit.ly/1NHkRUj>.

"With tax revenues continuing to exceed the Mayor's projections and a sizable amount of funds held in various reserves, there might seem little reason to consider savings or revenue options at this moment," said IBO Director Ronnie Lowenstein. "In fact, it is always necessary to ensure that resources—the public's tax dollars—are spent effectively and that taxes are collected equitably and efficiently," Lowenstein added.

With such goals of efficiency and equity in mind, the latest edition of IBO's budget options includes 10 measures that we have not previously presented. Several of these new measures have a focus on sustainability and the local environment—from a city-based carbon tax to a congestion surcharge for taxi and for-hire vehicle pickups south of 59th Street. Here are all the new options and their first year budget effect:

- Impose a city "mansion" tax (\$210 million)
- Eliminate J-51 benefits for projects that do not include affordable apartments (\$5 million)
- End the early payment discount for the property tax (\$9 million)
- Implement a property tax surcharge on vacant land zoned for residential use (\$29 million)
- Create a standard for "economic presence" for all corporations (\$35 million)
- Implement a carbon tax on energy use (\$162 million)
- Add a 75 percent excise tax to e-cigarettes (\$39 million)
- Include a 50 cent per night surcharge to hotel stays to fund NYC & Company (\$15 million)
- Levy a congestion surcharge on taxi and for-hire pickups south of 59th Street (\$225 million)
- Create a stormwater utility fee (\$83 million)

As in past years, each of the new options receives an impartial examination and includes a brief discussion of why they may or may not be a good idea. Options that appeared in prior editions have been revised, some substantially. In all cases, their potential for reducing costs or raising revenues has been re-estimated.

Whether the option is new or revised, IBO does not recommend any of the measures presented in the volume—our role is to analyze, not to make recommendations.

Ideas for the budget options come from many sources. Some originated as requests from elected officials, advocates, and others for an objective estimate of an idea's cost-cutting or revenue-raising potential. Other

[Type text]

budget options have been publicly discussed for years, while others have been generated by our staff. IBO encourages members of the public to submit ideas for future editions of this report to our [Facebook](#) page or by [email](#).

A free, printed copy of the report can be obtained by calling 212-442-0623.

Press contact: Doug Turetsky—212-442-0629/917-513-7488