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# Uber Tax Could Fill MTA Capital Plan Deficit: Analysis

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Lowering a tax on black car trips like Uber and dedicating it completely to the MTA could help fill its \$2.6 billion capital plan deficit, an analysis showed Wednesday. The MTA's capital plan pays for big projects like the Second Avenue Subway and bringing the LIRR to Grand Central.

The state created a 50-cent MTA tax in 2009 on yellow cab trips that start in New York City and end in an area served by the MTA, according to the [Citizens Budget Commission](#). Black car passengers who use services like Uber and Carmel don't pay a MTA tax, but pay almost 9% in sales tax on trips. A small part of that sales tax currently goes to the MTA.

The Commission analysis says that the sales tax could be lowered to 7.75%, giving riders a small break, but still raise up to \$225 million a year for the MTA by 2019 if it was dedicated to public transit. The MTA could then use that money to borrow against and fill its \$2.6 billion deficit, the Commission analysis found.

Other options that could raise money for public transit with black cars include applying a 50-cent MTA surcharge, like yellow cabs have. The Commission says that would raise \$55 million a year for the MTA by 2019.

"Uber actually generates far more tax revenue from riders in New York than taxis do," said Josh Mohrer, the general manager for Uber, in a letter to Mayor Bill de Blasio earlier this week. "Each taxi cab ride includes a flat 50-cent tax while each Uber ride includes an 8.875% sales tax charge-- which works out to about \$2 per ride. In other words, Uber generates four times as much in taxes per ride as taxis."

About 11% of the MTA's coffers currently come from car subsidies -- such as bridge and tunnel tolls, and taxes on cabs and gasoline.

The MTA did not comment on the analysis. It asked the city in July to chip in \$3.2 billion to the MTA's capital plan -- including almost \$660 million the city has agreed to pay for so far.