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New York City Council Stated Meeting Report

Every two weeks the New York City Council meets for its Stated Meeting to introduce and pass legislation. As a regular feature, Searchlight covers these meetings and posts a summary of the bills passed.

STATED MEETING - May 28, 2003

Quote of the Day:

"I am voting for this because it was the only option given to us by Albany. We should be voting on a commuter tax right now, but it is either this or 31,000 cops and 40 closed firehouses." – *Councilmember Peter Vallone on the increase in the city sales tax.*

Meeting Summary:

On May 28, the New York City Council approved an increase in the city sales tax.

The .125 percent hike in the city tax combined with a state increase of .25 percent means New Yorkers will pay a total 8.625 percent sales tax. The increase is expected to generate \$115 million for the city in 2004 and will be phased out in two years.

The sales tax hike was part of the larger \$2.7 billion budget package negotiated by Mayor Michael Bloomberg and leaders in the State Assembly and State Senate in Albany in early May. The council agreed to the [plan](#) on May 5, but still must approve each specific measure, including tax increases.

The City Council had threatened to delay the sales tax unless Mayor Bloomberg agreed to certain concessions in budget negotiations, which would have meant \$10 million a month in lost revenue for the city. The council wants the mayor to restore proposed cuts to social services and AIDS prevention programs and forego planned reductions in trash collections in the outer boroughs.

Without giving specifics, Speaker Gifford Miller said that the mayor had agreed to some of the council's demands. "Having had some discussions with the administration over the last several days, we feel that some progress is being made," said Miller.

At a City Council hearing the day before, the mayor's budget director Mark Page testified that the city was looking for ways to avoid cutting the number of trash collections. The mayor had wanted to drop one trash pickup a week in Brooklyn, Queens, Staten Island and parts of the Bronx. Manhattan would not have been affected.

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by Gotham Gazette Staff

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The City Council approved the sales tax increase by a vote of 47 to 3. Only the three Republican members - James Oddo, Dennis Gallagher, and Andrew Lanza - voted "no."

Later that night, the administration and City Council realized an oversight that will cost the city a million dollars in lost revenue.

The city sales tax was scheduled to begin on Sunday, June 1 to coincide with the state increase. But city law requires that a bill must "age" for five days before the mayor can sign it. That means Bloomberg can not sign the measure until Wednesday, June 4. Both the administration and City Council blamed the other side for the oversight. Each day the tax is delayed costs the city \$300,000 in lost revenue.

With its attention on the final stages of the budget negotiations, the City Council passed no new laws on May 28, and instead passed three resolutions calling on the federal government to help the city.

The council's resolutions ask Washington, D.C. to:

- Provide a revenue sharing program to help local governments weather the recession
- Consider issues like population and risk levels when dispersing homeland security funding
- Reverse Internal Revenue Service rules requiring people to meet higher standards of eligibility for the Earned Income Tax Credit, a program that aids low-income taxpayers.

The next Stated Meeting is scheduled for June 5.