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Looking for Fees in All the Right Places

There are three ways to find money to balance a city budget: with overly optimistic projections, cash from Albany or Washington, or new sources of income. The first two are not available to Mayor Giuliani this year, and the third has been prematurely dismissed.

It's time to abandon the myth that less is more and put taxes back on the table. To improve the quality of life, let's create a new category of fees and special assessments that do not support government bureaucrats or add to the high business taxes that already hurt the city's competitive position. Taxes, wisely deployed, are a genuine revenue source that would not hurt the economy and would improve the city's quality of life. Here are some options the mayor forgot to consider in the fiscal plan he unveiled yesterday.

1. Impose a \$1-a-day fee on all Class I property in New York City, with funds earmarked for the local elementary school closest to the property. There are 800,000 one-, two- and three-family houses in the city. Better schools improve a neighborhood's value, benefiting all households, even those without kids. Consider this the equivalent of a residential "Business Improvement District." Funds would go directly to local schools, bypassing school boards and the Board of Education. No monies could be used for special education, which already absorbs too many tax dollars. With 800,000 properties paying \$365 a year, the schools would get \$300 million more annually enough to cover the mayor's proposed cuts in next year's school budget.
2. Impose an income-based fee for all children who attend the city's competitive high schools. Why shouldn't upper-income families pay \$1,000 a semester for the private school education they get at Stuyvesant or Hunter High School?
3. Charge a fee for body-piercing, one of the city's most dynamic recreational activities. Those willing to withstand an excruciatingly sharp needle can take the pain of another tax.
4. Compel the non-profits to pay a fee in lieu of taxes. Start with the foundations that live off the wealth created by risk-taking capitalists like Ford, Rockefeller, Carnegie and Mellon. The foundations won't leave New York where else can they eat so well, so often and still feel as if they're doing good? Then we can go after universities, churches and synagogues, all of which benefit from public services.
5. The city's heavy-handed smoking regulations create an opportunity for revenue. Now that smoking has been banned from public places, why not sell licenses for a new category of restaurants and hotels that accommodate only smokers? They will appeal to European tourists

who care about their looks more than their health.

6. Install video screens at the entrances to the Midtown and Brooklyn-Battery Tunnels that carry ads along with traffic information. Advertisers would love all those captive commuters sitting in traffic.

7. Raise taxes on all vacant lots. Property owners should be penalized for letting their land sit idle, creating dumps, homes for rodents and devaluing adjacent property. Tax empty parcels into development.

8. Tax after-hours bars and nightclubs. If people want to dance or drink after midnight, let's charge them for the right to indulge. Unlike suburban communities. New York is very tolerant of late-night establishments, even if they disrupt neighborhoods. Here's the chance for a "quality of life" tax.

9. Finally, we need to tax adult entertainment establishments rather than relying on zoning rules to restrict their presence in residential neighborhoods. Adult entertainment has become an up-scale business. Let's make money off people's fantasies.

Taxes have become a dirty word in American politics. But they can generate revenues as they help businesses, reinforce family values and strengthen communities. As the mayor and City Council debate the city's fiscal future, we must be creative about new ways to fill the city's coffers.

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