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Press Release

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[MTA Headquarters](#)

IMMEDIATE

### MTA Budget Deficit Grows by \$621 Million

#### *Worsening Economy Slams Tax Revenues and Ridership*

The Metropolitan Transportation Authority (MTA) today re-forecast its annual revenues, projecting a \$621 million deficit for 2009 even after approved fare/toll increases and service cuts are implemented. The growing deficit is due to the continuing decline in the real estate and dedicated taxes that support the MTA, all of which are economically sensitive. In addition, increasing unemployment and higher fares led the MTA to predict a 7.2% drop in usage of its facilities in 2009.

The re-forecast identified the following specific changes from the revenues assumed in the budget passed by the MTA Board in December 2008:

- Real estate taxes: Down \$336 million
- Fare/toll revenue: Down \$221 million
- State dedicated taxes: Down \$113 million

The budget had assumed a \$49 million surplus, which when subtracted from these deficits yields a \$621 million gap for the current year. The picture is even bleaker for 2010, with a \$1.022 billion deficit now projected, up from \$290 million at the start of the year.

"The budget that was passed in December assumed large decreases in revenue, but we now know that the reality is even worse," said Elliot G. Sander, MTA Executive Director and CEO. "With this re-forecast in hand we have begun identifying ways to fill the new gap, but there are no easy solutions."

"Today's re-forecast is further proof that the MTA desperately needs stable revenue sources that don't plummet during economic downturns," said H. Dale Hemmerdinger. "This is terrible news for the MTA, our customers and the regional economy, and the MTA Board will do everything in our power to protect the transit network. Without assistance from Albany, however, it will be extremely painful for everyone who relies on MTA services."