

## Office of the Governor

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### NEWS RELEASE

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### **New Jersey Files Legal Challenge to New York Commuter Tax Bill**

Gov. Christie Whitman announced that New Jersey filed a class action lawsuit today challenging the constitutionality of a New York law that would repeal the New York City commuter tax only for New York state residents who live outside the city.

The New York law, signed last week, would exempt those who live in New York state from paying the New York City commuter tax, but would force New Jersey commuters who work in the city to continue paying the tax.

"As Governor, I have an obligation to ensure that New Jerseyans are treated fairly. This law is not only unfair, it is unconstitutional," Gov. Whitman said.

"I applaud Gov. Pataki's record on cutting taxes for his constituents. In fact, I am fighting for the same thing for the citizens of New Jersey," she said. "When this legal battle is over, we will deliver a tax break to the 240,000 people who cross into New York City to work each day."

A provision in the New York law states that if a court finds the law unconstitutional, the repeal of the commuter tax would apply to anyone commuting into New York City, regardless of where they live.

New Jersey to New York City commuters pay .45 percent of their income to the city, totaling about \$110 million a year.

The lawsuit, filed in New York Supreme Court by Acting Attorney General Paul Zoubek, argues that the law is a violation of interstate commerce and travel and of equal protection and due process.