

City proposes Student Privilege Tax on Students

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Pittsburgh Mayor Luke Ravenstahl wants to tax college students to fill financial gaps in the city's budget.

The proposed tax would charge between \$27 and \$400 per student for the "privilege" of studying at a Pittsburgh institution.

When the recently re-elected Mayor released his budget to the City Council, in it he chose to include a Post-Secondary Education Privilege tax, which he calls a "Fair Share Tax". In his proposal, it imposes a 1% tax on the tuition paid by students attending colleges and universities in the City of Pittsburgh.

The mayor is looking to tax students to solve the city's financial problems, mainly the financial struggles with the city's pension fund. The tax is expected to generate \$16.2 million — \$15 million for the city's underfunded pension program and \$1.2 million for the Carnegie Library of Pittsburgh.

The Intergovernmental Cooperation Authority, a board selected by the state to oversee the city's finances, rejected Ravenstahl's \$453.8 million budget because the legislation for the proposed tuition tax is not in place and therefore not legally enforceable.

To back his reasoning on taxing college students, the Mayor claimed, "They're not paying a dime for any city services." Since, the Mayor has brought in a high-profile tax attorney to help fight for the tax.

There are about 100,000 college students in Pittsburgh. Schools in the area, like Carnegie Mellon, have argued against the proposal, saying it places an unfair burden on students. At Carnegie Mellon, the nation's 9th most expensive college tuition-wise, students would have to pay a tax of about \$403. The tax would also be imposed on students at other popular schools including the University of Pittsburgh and Duquesne University.

Those who oppose the tax are questioning the legality with The Enabling Act, which gives the city broad authority to tax with this exception:

Section 2(f)(7) notes: "Local authorities shall not have authority to levy, assess or collect a tax on membership in or membership dues, fees or assessment of charitable, religious, beneficial or nonprofit organizations."

The tuition tax will be the subject of a public hearing on November 30, with a vote on the tax possibly in December. There are nine council members in Pittsburgh, and five have already given their support on the tax, giving enough for it to pass.

If the proposal goes through, it would be the first ever tax on college tuition. The problem is if this tax does pass, it could start a new trend across the country.

Many college students are already broke as it is and can hardly afford any extra costs of going to college. So much for trying to make higher education affordable in Pittsburgh.

You as a college student can help oppose this tax by signing the petition against the Education Privilege Tax.