



# MEMO OF SUPPORT

## [S1632 \(Kavanagh\) / A846 \(Weprin\)](#)

*Repeals Madison Square Garden Property Tax Exemption*

February 13, 2023

### **TITLE OF BILL**

Repeals provisions of law granting real property tax exemption to certain entities; repealer.

### **SUMMARY OF PROVISIONS**

This bill repeals Section 429 of the real property tax law, “real property used for professional major league sports,” to require that the owners of Madison Square Garden pay real property taxes.

### **STATEMENT OF SUPPORT**

Since 1982, state law has exempted Madison Square Garden (MSG) from approximately [\\$43 million a year](#) in New York City property taxes. According to the NYC Independent Budget Office, the law has meant a [\\$875 million](#) subsidy from the NYC government to MSG.

Roughly 21% of NYC revenue goes to NYC public schools (see Chart 7, Table 9 of the [NYC Comptroller’s Comments on the FY23 Adopted Budget](#)). This means that Madison Square Garden’s tax break has starved NYC schools of \$185 million in operating support, and continues to cost NYC schools \$9 million every year.

MSG’s owner also owns the NBA New York Knicks, which are worth [\\$5.8 billion](#) and NHL Rangers, valued at [\\$2 billion](#). There is zero public policy, fiscal or economic reason for New York City to subsidize the billionaire owner of Madison Square Garden, while depriving city schools and other basic services of millions a year in revenue and creating an unfair burden on other businesses and taxpayers.

Reinvent Albany strongly supports this legislation. We urge the Legislature to pass this bill.