

# The Fiscal Flow between New York City and Albany

March 2026 Updates on the New York Economy



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Affairs

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Over the past decade or more, New York City has been the driver of economic and fiscal growth in New York State—yet the state’s tax and spending policy has stymied the city’s ability to share that growth with those in need. Since 2010, NYC’s economy has shot up nearly three times as fast as the rest of the state, resulting in a far greater share of state revenues each year coming from the city, yet the city has not seen a corresponding increase in state expenditures. Furthermore, over this time the State has increased its own income and corporate taxes, drawing more of the city’s revenues, but has not allowed the city to raise its personal or business income taxes. Meanwhile, the share of millionaires that pay New York taxes is the largest in the country, and their numbers and incomes continue to grow.

While New York City is the economic engine of the state, it is also a place of great need. In the face of an inherited city fiscal crisis due to years of underbudgeting, the city is at an inflection point. This fact sheet updates *The Fiscal Flow between New York City and Albany*, a December 2025 report coauthored by the Institute for State & Local Governance at the City University of New York (CUNY ISLG) and the Center for New York City Affairs (CNYCA) at The New School, that estimated the “fiscal flow” between the city and state.

## DATA POINTS

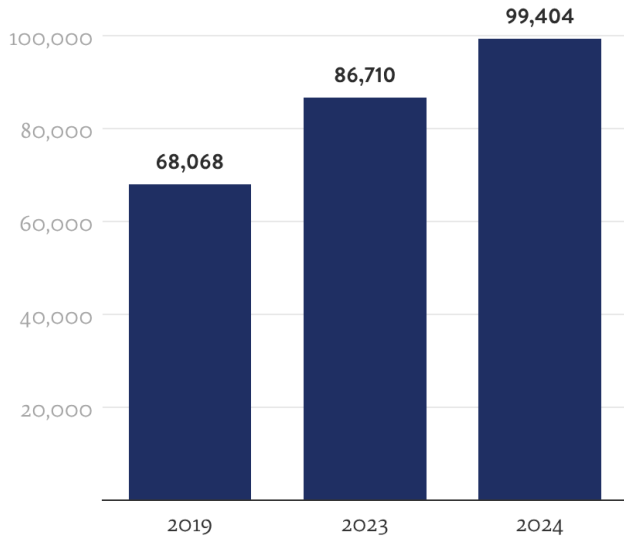
1. NYC provides a much greater share of NYS revenues than the share of State expenditures it receives.
  - In FY 2022, New York City contributed 54.5 percent, or \$68.8 billion, of state revenues whereas the rest of the state contributed 45 percent, or \$57.5 billion.
  - New York City received 40.5 percent, or \$47.6 billion, of State Operating Expenditures
  - Between FY 2010 and FY 2022, New York State’s revenue grew by \$48B. NYC contributed 64 percent (\$31B) of that growth.
  - Expenditures during the same period grew by \$36B and NYC received 42 percent (\$15B) of that growth.
  - Preliminary FY 2025 Updates:
    - The revenue that New York City contributes has grown to 55.6 percent and the share of expenditures New York City received grew to 41.7 percent.<sup>1</sup>
2. Over the past decade-and-a-half, NYC’s economy has boosted State revenues nearly 3 times as fast as the rest of the state.
  - NYC’s real GDP rose 40.5 percent between 2010-24, compared to 14 percent for the rest of NYS.<sup>2</sup>

1. NYS DTF, ISLG, CNYCA.

2. U.S. Bureau of Economic Analysis.

- 3. The number of millionaire tax filers in NYS rose 15 percent in 2024 and is up 46 percent from 2019-2024.

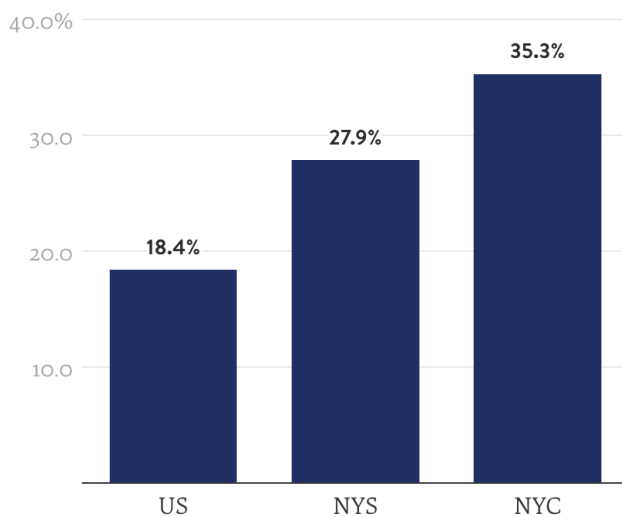
Fig. 1: NYS Millionaire Tax Filers



Source: NYS Dept. of Tax and Finance

- 4. New York millionaires take in a much larger share of total income than in the US overall; in NYC the millionaire income share is nearly twice the national average.

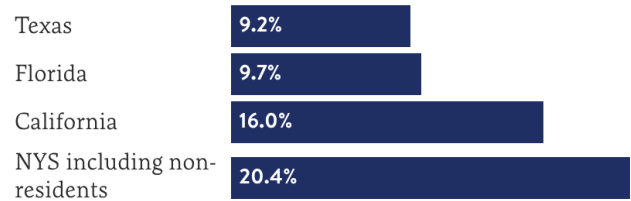
Fig. 2: Millionaires' Share of Total Income



Source: IRS, NYS DTF, NYC IBO

- 5. When nonresident NY taxpayers are included, NYS has the greatest state share of millionaires in the US, more than California, and more than Texas and Florida combined.

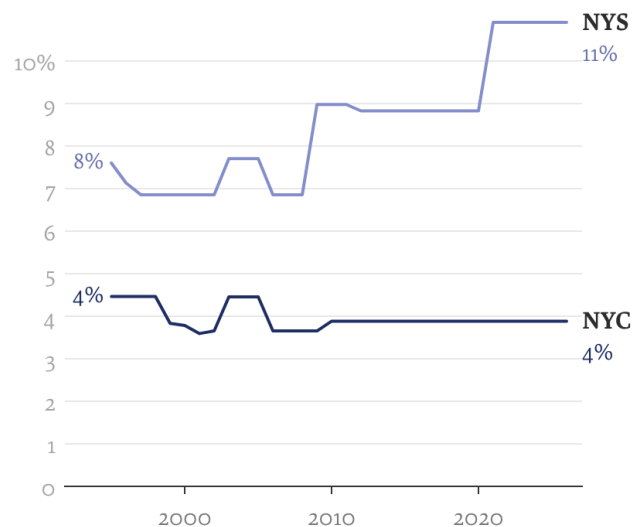
Fig. 3: State Share of Millionaires in U.S



Source: IRS, NYS DTF

- 6. NYS has not raised the top NYC personal income tax rate since 2010 while the State's top rate rose by over 4 percentage points since 2008.

Fig. 4: Top Personal Income Tax Rates, NYS & NYC



Source: NYS Dept. of Tax and Finance

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