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By Fiscal Policy Institute
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Statement on New York City's Fiscal Year 2027 Executive Budget

New York City balances budget with state aid, savings, and modest new revenue

Today, Mayor Mamdani announced a Fiscal Year 2027 Executive Budget for New York City that has been balanced through substantial savings, recurring state aid, and modest new revenue. The Administration has closed the previously announced gaps in the Executive Budget without drawing down reserves or increasing property tax rates—measures floated in the preliminary budget.

The balanced budget has been achieved primarily through prudent steps to moderate spending growth, many of which require state authority. A smaller portion of the proposed balance comes from the projected $500 million in new recurring revenue from the pied-à-terre tax—which will exclusively impact nonresidents with substantial wealth.

With the budget on sound fiscal footing, the City is well positioned to begin delivering an affordability agenda. However, achieving truly ambitious service expansions, such as universal childcare, will require additional dedicated revenue in the future.

About FPI
The Fiscal Policy Institute (FPI) is an independent, nonpartisan, nonprofit think tank that advances sound and equitable fiscal policy to strengthen New York's economy through research, analysis and strategic communications. Founded in 1991, FPI works to create a strong economy in which prosperity is broadly shared.