

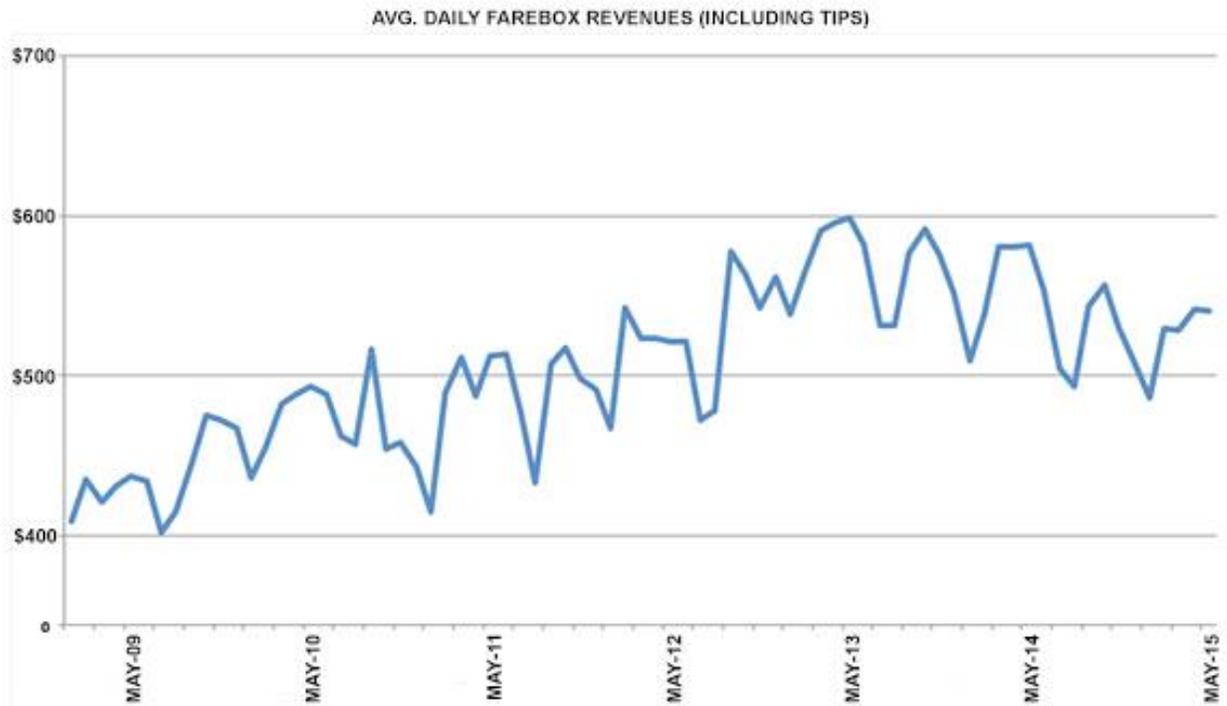
New York City Taxi Medallion Revenues Continue Decline

By [James Hickman Follow](#) | 06/26/15 - 03:34 PM EDT
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NEW YORK ([TheStreet](#)) -- The revenue a New York City taxi medallion generates continues to decline, which could be bad news for owners of medallions and their creditors.

According to new data from the New York Taxi and Limousine Commission, obtained through a Freedom of Information Act request, medallion revenues haven't recovered to levels seen in previous years this May, a historically strong month for taxi receipts. Average daily farebox revenue, including credit card tips and cash tip estimates (all data provided by the TLC), were \$540, down from \$582 the previous year and \$599 in 2013.



The declines have come at a time when Uber has increased the number of drivers in New York and the city itself has increased the number of taxis that operate. There are currently 13,635 taxi medallions in New York, up from 13,237 in May 2013, according to TLC data. Meanwhile, Uber has about 19,000 drivers in New York (though [500 were taken off the road](#) earlier this month for illegally picking up passengers).

Uber's success in the city is [likely an important part of the reason for taxi revenue declines](#).

While bad for medallion owners, the development is also bad for the owners' creditors. Earlier this year, **Citibank** ([C - Get Report](#)) [moved to seize in foreclosure](#) a raft of nearly 90 medallions.

To be sure, **Medallion Financial** ([TAXI - Get Report](#)), another creditor involved in the business, told TheStreet in [a recent interview](#) that it does not believe the impact on the business to be as significant as it may look from the numbers:

"I don't think Uber has had the full impact on cash flows that people think it has," Andrew Murstein, president of Medallion Financial, said in an interview last month. "Cash flows have dropped very little for our owner driver borrowers."

This article is commentary by an independent contributor. At the time of publication, the author was short TAXI.