NEW ISSUE **BOOK-ENTRY-ONLY**

$312,825,000
METROPOLITAN TRANSPORTATION AUTHORITY
Dedicated Tax Fund Green Bonds, Series 2017A (Climate Bond Certified)

Dated: Date of Delivery **Due: November 15, as shown on inside cover**

The Metropolitan Transportation Authority's (MTA) Dedicated Tax Fund Green Bonds, Series 2017A (Climate Bond Certified) (the Series 2017A Bonds) are being issued to retire certain Dedicated Tax Fund Bond Anticipation Notes.

The Series 2017A Bonds –

- are MTA's special, not general, obligations, payable solely from the State taxes deposited into the Pledged Amounts Account of the Metropolitan Transportation Authority Dedicated Tax Fund as described herein, and
- are not a debt of the State of New York (the State) or The City of New York (the City) or any other local government unit.

MTA has no taxing power.

In the opinion of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA, under existing law and relying on certain representations by MTA and assuming the compliance by MTA with certain covenants, interest on the Series 2017A Bonds is:

- *excluded from an Owner's federal gross income under Section 103 of the Internal Revenue Code of 1986, and*
- *not a specific preference item for an Owner in calculating the federal alternative minimum tax, but*
- *included in the adjusted current earnings of certain corporations in calculating the federal corporate alternative minimum tax.*

Also in Co-Bond Counsel's opinion, under existing law, interest on the Series 2017A Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See "TAX MATTERS" herein for a discussion of certain federal and State income tax matters.

The Series 2017A Bonds will bear interest at the rates shown on the inside cover hereof.

The Series 2017A Bonds are subject to redemption prior to maturity as described herein.

The Series 2017A Bonds are offered when, as, and if issued, subject to certain conditions, and are expected to be delivered through the facilities of The Depository Trust Company, on or about February 23, 2017.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of the Series 2017A Bonds. Investors are advised to read the entire official statement, including all portions hereof included by specific cross-reference, to obtain information essential to making an informed decision.

BofA Merrill Lynch

Drexel Hamilton, LLC **Rice Financial Products Company** **Stern Brothers & Co.**

Citigroup
Ramirez & Co., Inc.
Goldman, Sachs & Co.
J.P. Morgan
Siebert Cisneros Shank & Co., L.L.C.

Jefferies
PNC Capital Markets LLC
Loop Capital Markets
RBC Capital Markets
Morgan Stanley
The Williams Capital Group, L.P.

Academy Securities
Blaylock Beal Van, LLC
Fidelity Capital Markets
Raymond James
Alamo Capital
BNY Mellon Capital Markets
FTN Financial Capital Markets
Stifel
Barclays
Cabrera Capital Markets, LLC
KeyBanc Capital Markets Inc.
TD Securities

February 15, 2017

$312,825,000
METROPOLITAN TRANSPORTATION AUTHORITY
Dedicated Tax Fund Green Bonds, Series 2017A (Climate Bond Certified)

$193,870,000 Serial Bonds

Maturity (November 15)	Principal Amount	Interest Rate	Yield	CUSIP Number* (59259N)
2018	$ 2,945,000	5.00%	0.95%	5T6
2019	3,095,000	5.00	1.18	5U3
2020	3,250,000	5.00	1.34	5V1
2021	3,410,000	5.00	1.50	5W9
2022	3,580,000	5.00	1.70	5X7
2023	3,760,000	5.00	1.93	5Y5
2024	3,950,000	5.00	2.15	5Z2
2025	4,145,000	5.00	2.36	6A6
2026	4,355,000	5.00	2.48	6B4
2027	4,570,000	5.00	2.57†	6C2
2028	4,800,000	5.00	2.72†	6D0
2029	5,040,000	5.00	2.85†	6E8
2030	5,290,000	3.00	3.10	6F5
2031	5,450,000	5.00	3.02†	6G3
2032	5,725,000	5.00	3.10†	6H1
2033	6,010,000	5.00	3.16†	6J7
2034	7,750,000	3.50	3.55	6K4
2034	17,250,000	5.00	3.24†	6R9
2035	15,000,000	4.00	3.59†	6T5
2035	55,000,000	5.00	3.29†	6L2
2036	9,355,000	5.00	3.33†	6M0
2037	9,825,000	5.00	3.36†	6N8
2038	10,315,000	5.00	3.37†	6U2

$118,955,000 Term Bonds

$6,285,000 4.00% Series 2017A Term Bond due November 15, 2042, Yield: 3.69%†
CUSIP Number* 59259N 6P3

$40,305,000 5.00% Series 2017A Term Bond due November 15, 2042, Yield: 3.41%†
CUSIP Number* 59259N 6S7

$72,365,000 5.00% Series 2017A Term Bond due November 15, 2047, Yield: 3.46%†
CUSIP Number* 59259N 6Q1

The Series 2017A Bonds are subject to optional and mandatory redemption as described under the caption "DESCRIPTION OF SERIES 2017A BONDS – Redemption Prior to Maturity" in **Part I**. The following summarizes the optional redemption provisions: the Series 2017A Bonds maturing on and after November 15, 2027, are subject to redemption prior to maturity on any date on and after May 15, 2027, at the option of MTA, in whole or in part at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

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* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Series 2017A Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2017A Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2017A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2017A Bonds.

† Priced at the stated yield to the May 15, 2027 optional redemption date at a redemption price of 100%.

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New York, New York 10004
(212) 878-7000
Website: www.mta.info

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Robert E. Foran	Chief Financial Officer
Donna Evans	Chief of Staff
Helene Fromm, Esq.	Acting General Counsel
Patrick J. McCoy	Director, Finance

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New York, New York

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New York, New York

Co-Bond Counsel

PUBLIC RESOURCES ADVISORY GROUP, INC.
New York, New York

BACKSTROM MCCARLEY BERRY & CO., LLC
San Francisco, California

Co-Financial Advisors

HAWKINS DELAFIELD & WOOD LLP
New York, New York
Special Disclosure Counsel

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SUMMARY OF TERMS

MTA has prepared this Summary of Terms to describe the specific terms of the Series 2017A Bonds. The information in this official statement, including the materials filed with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board and included by specific cross-reference as described herein, provides a more detailed description of matters relating to MTA and to the Dedicated Tax Fund Bonds (the Bonds). Investors should carefully review that detailed information in its entirety before making a decision to purchase any of the Series 2017A Bonds being offered.

Issuer	Metropolitan Transportation Authority, a public benefit corporation of the State of New York.
Bonds Being Offered	Dedicated Tax Fund Green Bonds, Series 2017A (Climate Bond Certified) (the Series 2017A Bonds).
Purpose of Issue..	The Series 2017A Bonds are being issued to retire certain Dedicated Tax Fund Bond Anticipation Notes, which were issued by MTA to provide interim financing of transit and commuter projects. See "APPLICATION OF PROCEEDS" in **Part I**. MTA has designated the Series 2017A Bonds as "Climate Bond Certified" in accordance with the Climate Bonds Standard of the Climate Bonds Initiative. See "APPLICATION OF PROCEEDS" in **Part I**.
Maturities and Rates	The Series 2017A Bonds mature on the dates and bear interest at the rates shown on the inside cover.
Denominations	$5,000 and integral multiples of $5,000.
Interest Payment Dates	Interest on the Series 2017A Bonds shall be paid on May 15 and November 15, commencing May 15, 2017.
Redemption	See "DESCRIPTION OF SERIES 2017A BONDS – Redemption Prior to Maturity" in **Part I**.
Sources of Payment and Security	MTA's pledged State taxes, as described in **Part II**.
Registration of the Series 2017A Bonds...............	DTC Book-Entry-Only System. No physical certificates evidencing ownership of a bond will be delivered, except to DTC.
Trustee	The Bank of New York Mellon, New York, New York.
Co-Bond Counsel	Nixon Peabody LLP, New York, New York and D. Seaton and Associates, P.A., P.C., New York, New York.
Special Disclosure Counsel	Hawkins Delafield & Wood LLP, New York, New York.
Tax Status	See "TAX MATTERS" in **Part III**.
Ratings..	<u>*Rating Agency*</u> — <u>*Rating*</u> Fitch: AA S&P: AA See "RATINGS" in **Part III**.
Co-Financial Advisors..	Public Resources Advisory Group, Inc., New York, New York, and Backstrom McCarley Berry & Co., LLC, San Francisco, California.
Underwriters...	See cover page.
Counsel to the Underwriters	Norton Rose Fulbright US LLP, New York, New York.

- *No Unauthorized Offer.* **This official statement is not an offer to sell, or the solicitation of an offer to buy, the Series 2017A Bonds in any jurisdiction where that would be unlawful. MTA has not authorized any dealer, salesperson or any other person to give any information or make any representation in connection with the offering of the Series 2017A Bonds, except as set forth in this official statement. No other information or representations should be relied upon.**

- *No Contract or Investment Advice.* **This official statement is not a contract and does not provide investment advice. Investors should consult their financial advisors and legal counsel with questions about this official statement and the Series 2017A Bonds being offered, and anything else related to this bond issue.**

- *Information Subject to Change.* **Information and expressions of opinion are subject to change without notice, and it should not be inferred that there have been no changes since the date of this document. Neither the delivery of, nor any sale made under, this official statement shall under any circumstances create any implication that there has been no change in MTA's affairs or in any other matters described herein since the date of this official statement.**

- *Forward-Looking Statements.* **Many statements contained in this official statement, including the appendices and the documents included by specific cross-reference, that are not historical facts are forward-looking statements, which are based on MTA's beliefs, as well as assumptions made by, and information currently available to, the management and staff of MTA as of the date of this official statement. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. The words "anticipate," "assume," "estimate," "expect," "objective," "projection," "plan," "forecast," "goal," "budget" or similar words are intended to identify forward-looking statements. The words or phrases "to date," "now," "currently," and the like are intended to mean as of the date of this official statement. Neither MTA's independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the forward-looking statements contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability. Neither MTA's independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the forward-looking statements set forth in this official statement, which is solely the product of MTA and its other affiliates and subsidiaries as of the date of this official statement, and the independent auditors assume no responsibility for its content.**

- *Projections.* **The projections set forth in this official statement were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of MTA's management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of MTA. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this official statement are cautioned not to place undue reliance on the prospective financial information. Neither MTA's independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA's independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the prospective financial information set forth in this official statement, which official statement is solely the product of MTA and its other affiliates and subsidiaries, and the independent auditors assume no responsibility for its content. These forward-looking statements speak only as of the date of this official statement.**

- *Independent Auditor.* **Deloitte & Touche LLP, MTA's independent auditor, has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to MTA's consolidated financial statements for the years ended December 31, 2015 and 2014, which is a matter of public record, is included by specific cross-reference in this official statement. Deloitte & Touche LLP has performed a review of the consolidated interim financial information of MTA for the nine-month period ended September 30, 2016. As indicated in such review report which accompanies MTA's consolidated interim financial information, because Deloitte & Touche LLP did not perform an audit, Deloitte & Touche LLP expressed no opinion on that information. The consolidated interim financial information of MTA for the nine-**

month period ended September 30, 2016 (except for the auditor's review report accompanying the consolidated interim financial information as described above), which has been included on MTA's website, is included in this official statement by specific cross-reference. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA, including without limitation any of the information contained in this official statement, since the date of such review report and has not been asked to consent to the inclusion, or incorporation by reference, of either its audit or review report in this official statement.

- ***Climate Bonds Initiative*. The certification of the Series 2017A Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bonds Standard 2.0 and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Series 2017A Bonds or any projects financed by the Series 2017A Bonds, including but not limited to this official statement or MTA.**

  The certification of the Series 2017A Bonds as Climate Bonds by the Climate Bonds Initiative is not a recommendation to any person to purchase, hold or sell the Series 2017A Bonds and such certification does not address the market price or suitability of the Series 2017A Bonds for a particular investor. The certification also does not address the merits of the decision by MTA or any third party to participate in this transaction and does not express, and should not be deemed to be an expression of, an opinion as to MTA or any aspect of any projects financed by the Series 2017A Bonds (including but not limited to the financial viability of any projects financed by the Series 2017A Bonds) other than with respect to compliance with the Climate Bonds Standard.

  In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative has assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative. The Climate Bonds Initiative does not assume or accept any responsibility to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any projects financed by the Series 2017A Bonds or of MTA. In addition, the Climate Bonds Initiative does not assume any obligation to conduct (and it has not conducted) any physical inspection of any projects financed by the Series 2017A Bonds. The certification may only be used in connection with the Series 2017A Bonds, including as provided in this official statement, and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.

  The certification does not and is not in any way intended to address the likelihood of timely payment of interest or principal when due on the Series 2017A Bonds. In the event MTA does not comply with Climate Bonds Initiative's required procedures for Climate Bonds, Climate Bonds Initiative, in its sole and absolute discretion, may withdraw its Climate Bond certification of the Series 2017A Bonds at any time, and there can be no assurance that such certification may not be withdrawn.

- ***No Guarantee of Information by Underwriters*. The Underwriters have provided the following sentences for inclusion in this official statement: The Underwriters have reviewed the information in this official statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The Underwriters do not make any representation or warranty, express or implied, as to**

  - **the accuracy or completeness of information they have neither supplied nor verified,**
  - **the validity of the Series 2017A Bonds, or**
  - **the tax-exempt status of the interest on the Series 2017A Bonds.**

- ***Overallotment and Stabilization*. The Underwriters may overallot or effect transactions that stabilize or maintain the market price of the Series 2017A Bonds at a level above that which might otherwise prevail in the open market. The Underwriters are not obligated to do this and are free to discontinue it at any time.**

- ***Website Addresses.* References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this official statement for purposes of, and as that term is defined in, Rule 15c2-12 of the United States Securities and Exchange Commission.**

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Information Included by Specific Cross-reference. The following portions of MTA's 2016 Combined Continuing Disclosure Filings, dated April 29, 2016, as supplemented on May 10, 2016, updated by a first quarter Annual Disclosure Statement Update, dated August 17, 2016, supplemented on October 11, 2016, updated by a second quarter Annual Disclosure Statement Update, dated December 21, 2016, and supplemented on January 31, 2017, each filed with the Electronic Municipal Market Access System (EMMA) of the Municipal Securities Rulemaking Board (MSRB), are included by specific cross-reference in this official statement, along with material that updates this official statement and that is either filed with EMMA or, in the case of official statements or remarketing circulars, filed with the MSRB prior to the delivery date of the Series 2017A Bonds, together with any supplements or amendments thereto:

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**, and formerly Appendix A – The Related Entities)
- **Appendix B** – Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2015 and 2014

The following documents have also been filed with EMMA and are included by specific cross-reference in this official statement:

- Summary of Certain Provisions of the DTF Resolution
- Definitions and Summary of Certain Provisions of the Standard Resolution Provisions
- MTA's Unaudited Consolidated Interim Financial Statements as of and for the Nine-Month Period Ended September 30, 2016 (except that the auditor's review report accompanying the interim financial information does not express an opinion on the interim financial information because no audit was performed in connection therewith and, consequently, the auditor's review report is not considered a part of this official statement)

For convenience, copies of most of these documents can be found on the MTA website (www.mta.info) under the caption "MTA Info–Financial Information–Budget and Financial Statements" in the case of the Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2015 and 2014, and MTA's Unaudited Consolidated Interim Financial Statements as of and for the Nine-Month Period Ended September 30, 2016, and "MTA Info–Financial Information–Investor Information" in the case of the remaining documents. No statement on MTA's website is included by specific cross-reference herein. See "FURTHER INFORMATION" in **Part III**. Definitions of certain terms used in the summaries may differ from terms used in this official statement, such as the use herein of the popular names of the MTA affiliates and subsidiaries.

The consolidated financial statements of MTA for the years ended December 31, 2015 and 2014, incorporated by specific cross-reference in this official statement, have been audited by Deloitte & Touche LLP, independent certified public accountants, as stated in their audit report appearing therein. Deloitte & Touche LLP, has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to MTA's consolidated financial statements for the years ended December 31, 2015 and 2014, which is a matter of public record, is included in such consolidated financial statements. The consolidated interim financial information of MTA for the nine-month period ended September 30, 2016 (except for the auditor's review report accompanying the consolidated interim financial information as described above), has also been incorporated by specific cross-reference in this official statement. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA, including without limitation any of the information contained in, or incorporated by specific cross-reference in, this official statement, since the date of such review report and has not been asked to consent to the inclusion, or incorporation by reference, of its report on the audited consolidated financial statements, or its review report, as the case may be, in this official statement.

INTRODUCTION

MTA, MTA Bridges and Tunnels and Other Related Entities

The Metropolitan Transportation Authority (MTA) was created by special New York State (the State) legislation in 1965, as a public benefit corporation, which means that it is a corporate entity separate and apart from the State, without any power of taxation – frequently called a "public authority." MTA is governed by board members appointed by the Governor, with the advice and consent of the State Senate.

MTA has responsibility for developing and implementing a single, integrated mass transportation policy for MTA's service region (the MTA Commuter Transportation District or MCTD), which consists of New York City (the City) and the seven New York metropolitan-area counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester. It carries out some of those responsibilities by operating the Transit and Commuter Systems through its subsidiary and affiliate entities: the New York City Transit Authority and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority; the Staten Island Rapid Transit Operating Authority; The Long Island Rail Road Company; the Metro-North Commuter Railroad Company; the MTA Bus Company; and MTA Capital Construction Company. MTA issues debt obligations to finance a substantial portion of the capital costs of these systems.

Triborough Bridge and Tunnel Authority (MTA Bridges and Tunnels), another affiliate of MTA, is a public benefit corporation empowered to construct and operate toll bridges and tunnels and other public facilities in the City. MTA Bridges and Tunnels issues debt obligations to finance the capital costs of its facilities and the Transit and Commuter Systems. MTA Bridges and Tunnels' surplus amounts are used to fund certain transit and commuter operations and capital projects.

The board members of MTA serve as the board members of MTA's affiliates and subsidiaries, which, together with MTA, are referred to herein as the Related Entities. MTA and the other Related Entities are described in detail in **Part I** – MTA Annual Disclosure Statement to MTA's 2016 Combined Continuing Disclosure Filings (the **MTA Annual Disclosure Statement** or **ADS**), which is included by specific cross-reference in this official statement.

The following table sets forth the legal and popular names of the Related Entities. Throughout this official statement, reference to each agency will be made using the popular names.

Legal Name	Popular Name
Metropolitan Transportation Authority	MTA
New York City Transit Authority	MTA New York City Transit
Manhattan and Bronx Surface Transit Operating Authority	MaBSTOA
Staten Island Rapid Transit Operating Authority	MTA Staten Island Railway
MTA Bus Company	MTA Bus
The Long Island Rail Road Company	MTA Long Island Rail Road
Metro-North Commuter Railroad Company	MTA Metro-North Railroad
MTA Capital Construction Company	MTA Capital Construction
Triborough Bridge and Tunnel Authority	MTA Bridges and Tunnels

Capitalized terms used herein and not otherwise defined have the meanings provided in the **ADS** or the DTF Resolution.

Information Provided in the MTA Annual Disclosure Statement

From time to time, the Governor, the State Comptroller, the Mayor of the City, the City Comptroller, County Executives, State legislators, City Council members and other persons or groups may make public statements, issue reports, institute proceedings or take actions that contain predictions, projections or other information relating to the Related Entities or their financial condition, including potential operating results for the current fiscal year and projected baseline surpluses or gaps for future years, that may vary materially from, question or challenge the information provided in the **ADS**. Investors and other market participants should, however, refer to MTA's then current continuing disclosure filings, official statements, remarketing circulars and offering memorandums for information regarding the Related Entities and their financial condition.

Where to Find Information

Information in this Official Statement. This official statement is organized as follows:

- This ***Introduction*** provides a general description of MTA, MTA Bridges and Tunnels and the other Related Entities.
- ***Part I*** provides specific information about the Series 2017A Bonds.
- ***Part II*** describes the sources of payment and security for all Dedicated Tax Fund Bonds, including the Series 2017A Bonds.
- ***Part III*** provides miscellaneous information relating to the Series 2017A Bonds.
- ***Attachment 1*** sets forth certain provisions applicable to the book-entry-only system of registration to be used for the Series 2017A Bonds.
- ***Attachment 2*** sets forth a summary of certain provisions of a continuing disclosure agreement relating to the Series 2017A Bonds.
- ***Attachment 3*** is the form of opinions of Co-Bond Counsel in connection with the issuance of the Series 2017A Bonds.
- ***Attachment 4*** is the Supplement to the 2016 MTA Annual Disclosure Statement, dated January 31, 2017.
- ***Information Included by Specific Cross-reference*** in this official statement and identified under the caption "Information Included by Specific Cross-reference" following the Table of Contents may be obtained, as described below, from the MSRB and from MTA.

Information from the MSRB through EMMA. MTA files annual and other information with EMMA. Such information can be accessed at http://emma.msrb.org/.

Information Included by Specific Cross-reference. The information listed under the caption "Information Included by Specific Cross-reference" following the Table of Contents, as filed with the MSRB through EMMA to date, is "included by specific cross-reference" in this official statement. This means that important information is disclosed by referring to those documents and that the specified portions of those documents are considered to be part of this official statement. **This official statement, which includes the specified portions of those filings, should be read in its entirety in order to obtain essential information for making an informed decision in connection with the Series 2017A Bonds.**

Information Available at No Cost. Information filed with the MSRB through EMMA is also available, at no cost, on MTA's website or by contacting MTA, Attn.: Finance Department, at the address on page (i). For important information about MTA's website, see "FURTHER INFORMATION" in **Part III**.

PART I. SERIES 2017A BONDS

Part I of this official statement, together with the Summary of Terms, provides specific information about the Series 2017A Bonds. Obligations issued under the DTF Resolution and constituting Capital Cost Obligations issued under Section 203 thereof, as well as Refunding Obligations issued under Section 204 thereof, are referred to in this official statement as Dedicated Tax Fund Bonds.

APPLICATION OF PROCEEDS

MTA anticipates that the net proceeds of the Series 2017A Bonds (the principal amount thereof, plus a net original issue premium of $41,730,565.35, and less certain financing, legal and miscellaneous expenses of $4,555,565.35) in the total amount of $350,000,000.00, will be used to retire certain outstanding Dedicated Tax Fund Bond Anticipation Notes, which were issued to provide interim financing of transit and commuter capital projects.

Climate Bond Certified

The information set forth under this caption "Climate Bond Certified" concerning (1) the Climate Bonds Initiative (the Climate Bonds Initiative) and the process for obtaining Climate Bond Certification (the Climate Bond Certification), and (2) Sustainalytics (Sustainalytics) in its role as a verifier with respect to the Climate Bond Certification, all as more fully described below, has been extracted from materials provided by the Climate Bonds Initiative and Sustainalytics, respectively, for such purposes, and none of such information is guaranteed as to accuracy or completeness or is to be construed as a representation by MTA or the Underwriters. Additional information relating to the Climate Bonds Initiative, the Climate Bonds Standard, the Certification Process and the process for obtaining Climate Bond Certification can be found at www.climatebonds.net. This website is included for reference only and the information contained therein is not incorporated by reference in this official statement.

The terms "Climate Bond Certified" and "green bonds" are neither defined in, nor related to the DTF Resolution, and their use herein is for identification purposes only and is not intended to provide or imply that a holder of the Series 2017A Bonds is entitled to any additional security other than as provided in the DTF Resolution. MTA has no continuing legal obligation to maintain the Climate Bond Certification of the Series 2017A Bonds.

Introduction. MTA has requested, and the Climate Bonds Standard Board has approved, the Series 2017A Bonds as "Climate Bond Certified", based on the Climate Bonds Standard Verification Letter provided by Sustainalytics. Sustainalytics' factual findings assessed that $11.3 billion, which has been expended as of the date of the verification on eligible projects included in MTA's 2010-2014 transit and commuter capital program, conform to the Climate Bonds - Low Carbon Transport Standard. MTA expects to issue additional green bonds from time to time for approved transit and commuter capital program projects reviewed and approved by the Climate Bonds Standard Board.

The Climate Bonds Initiative and Climate Bond Certification. MTA has applied to the Climate Bonds Initiative under the Climate Bonds Standard & Certification Scheme (the Certification Process), for designation of the Series 2017A Bonds as "Climate Bond Certified." The Certification Process is a voluntary verification initiative which allows MTA to demonstrate to the investor market, the users of the MTA's transit and commuter systems and other stakeholders that the Series 2017A Bonds meet international standards for climate integrity, management of proceeds and transparency. The Certification Process provides a scientific framework for determining which projects and assets are consistent with a low carbon and climate resilient economy and, therefore, eligible for inclusion in a Certified Climate Bond. The requirements of the Certification Process relating to the Series 2017A Bonds are separated into pre-issuance (Initial) and post-issuance (Closing) requirements.

The Initial requirements are designed to ensure that MTA has established appropriate internal processes and controls prior to issuance of the Series 2017A Bonds, and that these internal processes and controls are sufficient to enable conformance with the Certification Process after the Series 2017A Bonds have been issued and bond proceeds are being expended.

The Closing requirements require MTA to engage a firm to verify that MTA and the application of the proceeds of the Series 2017A Bonds are in conformance with such requirements.

MTA has engaged Sustainalytics to act as verifier for both the Initial and Closing requirements under the Climate Bonds Standard with respect to all applicable transit and commuter projects within the MTA's approved capital programs.

DESCRIPTION OF SERIES 2017A BONDS

General

Interest Payments. The Series 2017A Bonds will bear interest at the rates and mature in the amounts and on the dates shown on the inside cover of this official statement. Interest on the Series 2017A Bonds will be paid on each May 15 and November 15, commencing May 15, 2017, calculated based on a 360-day year comprised of twelve 30-day months.

Book-Entry-Only System. The Series 2017A Bonds will be registered in the name of The Depository Trust Company, New York, New York, or its nominee (together, DTC) which will act as securities depository for the Series 2017A Bonds. Individual purchases will be made in book-entry-only form, in the principal amount of $5,000 or integral multiples thereof (Authorized Denominations). So long as DTC is the registered owner of the Series 2017A Bonds, all payments on the Series 2017A Bonds will be made directly to DTC. DTC is responsible for disbursement of those payments to its participants, and DTC participants and indirect participants are responsible for making those payments to beneficial owners. See **Attachment 1** – "Book-Entry-Only System."

Record Date. The Record Date for the payment of principal of, interest on and Sinking Fund Installments with respect to the Series 2017A Bonds shall be the May 1 or November 1 immediately preceding such payment date.

Transfers and Exchanges. So long as DTC is the securities depository for the Series 2017A Bonds, it will be the sole registered owner of the Series 2017A Bonds, and transfers of ownership interests in the Series 2017A Bonds will occur through the DTC Book-Entry-Only System.

Trustee and Paying Agent. The Bank of New York Mellon, New York, New York is Trustee and Paying Agent with respect to the Series 2017A Bonds.

Redemption Prior to Maturity

Mandatory Sinking Fund Redemption. The term bonds shown below are subject to mandatory sinking fund redemption, in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper), on any November 15 on and after the first sinking fund installment date shown below at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments that are required to be made in amounts sufficient to redeem on November 15 of each year the principal amount of such Series 2017A Bonds shown below:

Series 2017A 2042 4.00% Term Bond		
	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2039	$1,480,000
	2040	1,540,000
	2041	1,600,000
final maturity	2042	1,665,000
average life – 24.277 years		

Series 2017A 2042 5.00% Term Bond		
	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2039	$ 9,350,000
	2040	9,820,000
	2041	10,310,000
final maturity	2042	10,825,000
average life – 24.289 years		

Series 2017A 2047 5.00% Term Bond		
	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2043	$13,095,000
	2044	13,750,000
	2045	14,440,000
	2046	15,160,000
final maturity	2047	15,920,000
average life – 28.825 years		

Credit Toward Mandatory Sinking Fund Redemption. MTA may take credit toward mandatory Sinking Fund Installment requirements as follows, and, if taken, thereafter reduce the amount of term Series 2017A Bonds otherwise subject to mandatory Sinking Fund Installments on the date for which credit is taken:

- If MTA directs the Trustee to purchase term Series 2017A Bonds with money in the Debt Service Fund (at a price not greater than par plus accrued interest to the date of purchase), then a credit of 100% of the principal amount of bonds purchased will be made against the next Sinking Fund Installment due.
- If MTA purchases or redeems term Series 2017A Bonds with other available moneys, then the principal amount of those bonds will be credited against future Sinking Fund Installment requirements in any order, and in any annual amount, that MTA may direct.

Optional Redemption. The Series 2017A Bonds maturing on and after November 15, 2027, are subject to redemption prior to maturity on any date on and after May 15, 2027, at the option of MTA, in whole or in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper) at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

State and City Redemption. Pursuant to the MTA Act, the State, upon providing sufficient funds, may require MTA to redeem the Series 2017A Bonds prior to maturity, as a whole, on any interest payment date not less than twenty years after the date of issue of the Series 2017A Bonds, at 105% of their face value and accrued interest or at such lower redemption price provided for the Series 2017A Bonds in the case of redemption as a whole on the redemption date. The MTA Act further provides that the City, upon furnishing sufficient funds, may require MTA to redeem the Series 2017A Bonds as a whole, but only in accordance with the terms upon which the Series 2017A Bonds are otherwise redeemable.

Redemption Notices. So long as DTC is the securities depository for the Series 2017A Bonds, the Trustee must mail redemption notices to DTC at least 30 days before the redemption date. If the Series 2017A Bonds are not held in book-entry-only form, then the Trustee must mail redemption notices directly to Owners within the same time frame. A redemption of the Series 2017A Bonds is valid and effective even if DTC's procedures for notice should fail. Beneficial owners should consider arranging to receive redemption notices or other communications to DTC affecting them, including notice of interest payments through DTC participants. Any notice of optional redemption may state that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before the payment of the Redemption Price if any such condition so specified is not satisfied or if any such other event occurs. **Please note that all redemptions are final – even if beneficial owners did not receive their notice, and even if that notice had a defect.**

Redemption Process. If the Trustee gives an unconditional notice of redemption, then on the redemption date the Series 2017A Bonds called for redemption will become due and payable. If the Trustee gives a conditional notice of redemption and holds money to pay the redemption price of the affected Series 2017A Bonds, and any other conditions included in such notice have been satisfied, then on the redemption date the Series 2017A Bonds called for redemption will become due and payable. In either case, after the redemption date, no interest will accrue on those Series 2017A Bonds, and an owner's only right will be to receive payment of the redemption price upon surrender of those Series 2017A Bonds.

Debt Service on the Dedicated Tax Fund Bonds

Table 1 on the next page sets forth, on a cash basis, for each fiscal year ending December 31, the estimated debt service on (i) the outstanding Dedicated Tax Fund Bonds, (ii) the Series 2017A Bonds, and (iii) all currently outstanding Bonds under the DTF Resolution.

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Table 1
MTA Dedicated Tax Fund Bonds
Aggregate Debt Service
(in thousands) [1]

Year Ending December 31	Outstanding Bonds[2][3][4]	Debt Service on the Series 2017A Bonds Principal	Interest	Total	Aggregate Debt Service[5]
2017	$388,162	$0	$11,067	$11,067	$399,229
2018	393,435	2,945	15,206	18,151	411,586
2019	393,436	3,095	15,059	18,154	411,590
2020	393,438	3,250	14,904	18,154	411,592
2021	393,438	3,410	14,742	18,152	411,590
2022	393,438	3,580	14,571	18,151	411,589
2023	393,434	3,760	14,392	18,152	411,586
2024	393,440	3,950	14,204	18,154	411,594
2025	393,439	4,145	14,007	18,152	411,591
2026	392,728	4,355	13,800	18,155	410,883
2027	381,461	4,570	13,582	18,152	399,613
2028	389,541	4,800	13,353	18,153	407,694
2029	382,958	5,040	13,113	18,153	401,111
2030	387,990	5,290	12,861	18,151	406,141
2031	391,953	5,450	12,703	18,153	410,106
2032	389,725	5,725	12,430	18,155	407,880
2033	391,347	6,010	12,144	18,154	409,501
2034	232,419	25,000	11,843	36,843	269,262
2035	175,057	70,000	10,710	80,710	255,767
2036	341,386	9,355	7,360	16,715	358,101
2037	364,185	9,825	6,892	16,717	380,902
2038	345,844	10,315	6,401	16,716	362,560
2039	327,511	10,830	5,885	16,715	344,226
2040	44,072	11,360	5,358	16,718	60,790
2041	8,023	11,910	4,806	16,716	24,739
2042	8,025	12,490	4,226	16,716	24,741
2043	8,027	13,095	3,618	16,713	24,740
2044	8,024	13,750	2,964	16,714	24,738
2045	8,026	14,440	2,276	16,716	24,742
2046	8,023	15,160	1,554	16,714	24,737
2047	8,023	15,920	796	16,716	24,739
2048	8,027	-	-	-	8,027
2049	8,023	-	-	-	8,023
2050	8,027	-	-	-	8,027
2051	8,026	-	-	-	8,026
2052	8,022	-	-	-	8,022
2053	8,023	-	-	-	8,023
2054	8,023	-	-	-	8,023
2055	8,026	-	-	-	8,026
2056	8,022	-	-	-	8,022
Total	$8,602,223	$312,825	$306,827	$619,652	$9,221,879

(1) Totals may not add due to rounding.
(2) Includes the following assumptions for debt service: variable rate bonds at an assumed rate of 4.0%; variable rate bonds swapped to fixed at the applicable fixed rate on the swap; floating rate notes at an assumed rate of 4.0% plus the current fixed spread; floating rate notes swapped to fixed at the applicable fixed rate on the swap plus the current fixed spread.
(3) Excludes debt service on all outstanding Dedicated Tax Fund Bond Anticipation Notes.
(4) Debt service has not been reduced to reflect expected receipt of Build America Bond interest subsidies relating to certain Outstanding Bonds; such subsidies do not constitute pledged revenues under the DTF Resolution.
(5) Figures reflect amounts outstanding as of the date of delivery of the Series 2017A Bonds.

PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

Part II of this official statement describes the sources of payment and security for all Dedicated Tax Fund Bonds, including the Series 2017A Bonds.

SOURCES OF PAYMENT

Under State law, MTA receives money from certain dedicated taxes and fees described in this section. This money is deposited into MTA's Dedicated Tax Fund and is pledged by MTA for the payment of its Dedicated Tax Fund Bonds.

Revenues from Dedicated Taxes

MTA Revenues from Petroleum Business Tax (PBT), Motor Fuel Tax and Motor Vehicle Fees (MTTF Receipts). In 1991, as part of a program to address the need for continued capital investment in the State's transportation infrastructure, the State Legislature established a State fund, called the Dedicated Tax Funds Pool, from which money is apportioned by statutory allocation under current State Tax Law to a State fund, called the Dedicated Mass Transportation Trust Fund (MTTF). Currently, portions of the following taxes and fees are deposited into the Dedicated Tax Funds Pool, of which 34% is allocated to the MTTF for the benefit of MTA:

- A business privilege tax imposed on petroleum businesses operating in the State (the PBT), consisting of:
  - a basic tax that varies based on product type,
  - a supplemental tax on gasoline and highway diesel, and
  - a petroleum business carrier tax.

Currently, 80.3% of net PBT receipts from the basic tax and all of the supplemental tax and the carrier tax are required by current law to be deposited in the Dedicated Tax Funds Pool. Effective December 1, 2017, all receipts from aviation fuel will be directed to an aviation purpose account, from which no receipts will be directed to the MTTF. Currently, aviation fuel receipts are part of the basic tax.

- Motor fuel taxes on gasoline (50%) and diesel fuel (100%).
- Certain motor vehicle fees administered by the State Department of Motor Vehicles, including both registration and non-registration fees.

Thirty-four percent (34%) of the Dedicated Tax Funds Pool is currently deposited in the MTTF for MTA's benefit. Subject to appropriation by the State Legislature, money in the MTTF is required by law to be transferred to the MTA Dedicated Tax Fund held by MTA. Amounts transferred from the MTTF account to the MTA's Dedicated Tax Fund constitute "MTTF Receipts."

MTA anticipates that the amount and timing of MTTF Receipts will be sufficient to make required principal and interest payments on the Dedicated Tax Fund Bonds, including the Series 2017A Bonds.

A more detailed description of the MTTF Receipts is set forth in the **ADS** (included herein by specific cross-reference) under the caption "DEDICATED TAX FUND BONDS" under the following headings:

- MTTF Receipts — Dedicated Petroleum Business Tax,
- MTTF Receipts — Motor Fuel Tax, and
- MTTF Receipts — Motor Vehicle Fees.

MTA Revenues from Special Tax Supported Operating Subsidies (MMTOA Receipts). Like other U.S. mass transit systems, the Transit System and Commuter System have historically operated at a deficit and have been dependent upon substantial amounts of general operating subsidies from the State, as well as the City. Over time, the ongoing needs of the State's mass transportation systems led the State to supplement the general operating subsidies with additional operating subsidies supported by special State taxes.

Starting in 1980, in response to anticipated operating deficits of the State's mass transportation systems, the State Legislature enacted a series of taxes, portions of the proceeds of which have been and are to be deposited in a special State Fund — the Mass Transportation Operating Assistance Fund — to fund the operations of mass transportation systems. The Metropolitan Mass Transportation Operating Assistance Account, or MMTOA Account, was established in that State Fund to support operating expenses of transportation systems in the MCTD, including the MTA New York City Transit, MaBSTOA and the commuter railroads operated by MTA's subsidiaries, MTA Long Island Rail Road and MTA Metro-North Railroad. After payment of Section 18-b general operating assistance to the various transportation systems, MTA receives 72% of the moneys deposited in the MMTOA Account, with the remaining 28% available to other transportation properties within the MCTD, such as MTA Bus, which currently operates the routes formerly operated by the City private franchise bus lines.

Since the creation of the MMTOA Account, MTA has requested and received in each year significant payments from that account in order to meet operating expenses of the transit and commuter systems. It is expected that payments from the MMTOA Account will continue to be essential to the operations of the transit and commuter systems. Although a variety of taxes have been used to fund the special tax supported operating subsidies, the taxes levied for this purpose, which MTA refers to collectively as the "MMTOA Taxes," currently include:

- MMTOA PBT. The products that are subject to the tax, the tax rates, and the transactions excluded from the tax are identical to those of the basic PBT dedicated to the Dedicated Tax Funds Pool and the MTTF account in that Pool. Pursuant to State law, 10.835% of the PBT Basic Tax collections is deposited in the MMTOA Account.
- District Sales Tax. The District Sales Tax consists of a 0.375% sales and compensating use tax imposed on sales and uses of certain tangible personal property and services applicable only within the MCTD.
- Franchise Taxes. Also deposited in the MMTOA Account is a legislatively-allocated portion of the following three taxes imposed on certain transportation and transmission companies (such as trucking, telegraph and local telephone companies and mobile communication services):
    - an annual franchise tax based on the amount of the taxpayer's issued capital stock,
    - an annual franchise tax on the taxpayer's gross earnings from all sources calculated to have been generated statewide pursuant to statutory formulae, and
    - an additional excise tax on the sale of mobile communication services effective May 1, 2015.
- Franchise Surcharges. The Franchise Surcharges are imposed on the portion of the franchise and other taxes of certain corporations, insurance, transportation and transmission companies attributable (according to various complex formulae) to business activity carried on within the MCTD. In accordance with the State Tax Law, the tax revenue generated under these provisions, after the deduction of administrative costs, is to be deposited to the MMTOA Account, as taxes are received.

MTA receives the equivalent of four quarters of MMTOA Receipts each year, with the first quarter of each succeeding calendar year's receipts advanced into the fourth quarter of the preceding year. This results in little or no MMTOA Receipts being received during the first quarter of each calendar year; MTA is required to make other provisions to provide for cash liquidity during this period.

A more detailed description of the MMTOA Taxes is set forth in the **ADS** (included herein by specific cross-reference) under the caption "DEDICATED TAX FUND BONDS — MMTOA Account — Special Tax Supported Operating Subsidies."

Five Year Summary of MTTF Receipts and MMTOA Receipts. **Table 2** sets forth a five year summary (based on the State's fiscal year ending March 31) of the following:

- actual collections by the State of receipts for each of the sources of revenues that, subject to appropriation and allocation among MTA and other non-MTA transportation agencies, could become receipts of the MTA Dedicated Tax Fund,
- amount of MTTF Receipts and MMTOA Receipts, and
- debt service coverage ratio based upon MTTF Receipts, and MTTF Receipts plus MMTOA Receipts.

The information in the following **Table 2** relating to MTTF Receipts and MMTOA Receipts was provided by the New York State Division of the Budget and the remaining information was provided by MTA.

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Table 2
Summary of MTTF Receipts and MMTOA Receipts[1]
State Fiscal Year ending March 31 ($ millions)

Dedicated Taxes ($ millions)	Actual 2014	Actual 2015	Actual 2016	Projection 2017[8]	Projection 2018[8]
MTTF[1]					
PBT[2]	$ 345.9	$ 347.4	$ 337.3	$ 328.7	$ 320.4
Motor Fuel Tax	90.7	92.7	96.5	97.6	97.5
Motor Vehicle Fees	181.6	120.4[7]	127.4[7]	128.6[7]	128.6[7]
Total Available	$ 618.2	$ 560.5	$ 561.2	$ 554.9	$ 546.5
MMTOA[1]					
PBT[2]	$ 75.5	$ 75.1	$ 72.6	$ 70.6	$ 68.7
District Sales Tax	801.7	854.2	874.2	903.0	943.0
Franchise Taxes[3]	36.5	25.7	39.4	38.7	38.5
Franchise Surcharges	989.9	1,032.0	1,039.7	1,110.3	1,155.5
Total Available	$1,903.6	$1,987.0	$2,025.9	$2,122.6	$2,205.7
Disbursements					
MTTF[4]	$ 606.9	$ 629.8[7]	$ 604.8[7]	$ 612.3 [7]	$ 607.6 [7]
MMTOA[5]	$1,518.2	$1,563.9	$1,563.9	$1,668.0	$1,668.0
Total Disbursed	$2,125.1	$2,193.7	$2,168.7	$2,280.3	$2,275.6
Debt Service[6]	$356.1	$344.6	$341.8	$367.2	$394.9
Debt Service Coverage Ratio – MTTF Receipts Only	1.70x	1.83x	1.77x	1.67x	1.54x
Debt Service Coverage Ratio – MTTF and MMTOA Receipts	5.97x	6.37x	6.34x	6.21x	5.76x

(1) As used in this Table, MTTF Receipts and MMTOA Receipts have the meaning given such terms in the DTF Resolution.

(2) Effective December 1, 2017, all receipts from aviation fuel will be directed to an aviation purpose account, from which no receipts will be directed to the MTTF or MMTOA Account.

(3) Effective State Fiscal Year 2012-2013, the distribution to the MMTOA Account was changed from 80% to 54% of the taxes collected from Franchise Taxes. The remaining 26% is distributed to the Public Transportation Systems Operating Assistance PTOA Account. This distribution is in effect through March 31, 2018 and is proposed to be made permanent in the 2017-2018 Executive Budget, subject to legislative enactment.

(4) Represents the amount in the MTTF that was, subject to appropriation, paid to MTA by deposit into the MTA Dedicated Tax Fund, thereby becoming MTTF Receipts. The amount of MTTF Receipts in any State fiscal year may be greater than the amount collected for deposit into the MTTF due to, among other things, investment earnings or surplus amounts retained in the MTTF that were not paid out in prior years.

(5) Represents the amount in the MMTOA Account that was, subject to appropriation, requested by, and paid to, MTA for deposit into the MTA Dedicated Tax Fund, thereby becoming MMTOA Receipts. The difference between Total Available MMTOA Taxes and MMTOA Receipts generally represents the amount appropriated for operating expenses of the various non MTA systems in the MCTD, as well as the amounts appropriated to MTA and other transportation agencies, primarily in accordance with the Section 18-b Program as described in the **ADS** under the caption "REVENUES OF THE RELATED ENTITIES – State and Local General Operating Subsidies" in Part 2.

(6) Net of $26.0 million of Build America Bond interest credit payments each in State Fiscal Years from 2013-2014 through 2017-2018.

(7) Pursuant to legislation enacted in 2014, beginning with State Fiscal Year 2014-2015 and each year thereafter, a portion of the State Fiscal Year 2013-2014 Motor Vehicle General Fund transfer of $169.4 million has been replaced with a direct transfer of $62.7 million from the State General Fund to the MTTF. $57.7 million of such amount flows to the MTA Dedicated Tax Fund as MTTF Receipts; the remainder flows to other transportation systems.

(8) The State Fiscal Year 2016-2017 and 2017-2018 projections are based on the 2017-2018 Executive Budget, subject to legislative enactment. The projected debt service calculation for 2018 does not include debt service on the Series 2017A Bonds or any subsequent issue of Dedicated Tax Fund Bonds.

Factors Affecting Revenues from Dedicated Taxes

Legislative Changes. The requirement that the State pay MTA Dedicated Tax Fund Revenues to the MTA Dedicated Tax Fund is subject to and dependent upon annual appropriations being made by the State Legislature for such purpose and the availability of moneys to fund such appropriations. The State Legislature is not obligated to make appropriations to fund the MTA Dedicated Tax Fund, and there can be no assurance that the State Legislature will make any such appropriation. The State is not restricted in its right to amend, repeal, modify or otherwise alter statutes imposing or relating to the MTA Dedicated Tax Fund Revenues or the taxes or appropriations that are the source of such Revenues.

In connection with the financing of future capital programs, MTA may propose legislation affecting components of the taxes currently securing the Dedicated Tax Fund Bonds.

Litigation. Aspects relating to the imposition and collection of the Dedicated Taxes have from time to time been and may continue to be the subject of administrative claims and litigation by taxpayers.

Economic Conditions. Many of the Dedicated Taxes are dependent upon economic and demographic conditions in the State and in the MCTD, and therefore there can be no assurance that historical data with respect to collections of the Dedicated Taxes will be indicative of future receipts.

Government Assistance. The level of government assistance to MTA through Dedicated Taxes may be affected by several different factors including:

- The State Legislature may not bind or obligate itself to appropriate revenues during a future legislative session, and appropriations approved during a particular legislative session generally have no force or effect after the close of the State fiscal year for which the appropriations are made. However, in the case of the PBT that is deposited as a portion of the MTTF Receipts, the State Legislature has expressed its intent in the State Finance Law to enact for each State fiscal year an appropriation for the current and the next year. See the heading "SECURITY – Appropriation by the State Legislature" below.
- The State is not bound or obligated to continue to pay operating subsidies to the transit or commuter systems or to continue to impose any of the taxes currently funding those subsidies.

Information Relating to the State. Information relating to the State, including the Annual Information Statement of the State, as amended or supplemented, is not a part of this official statement. Such information is on file with the MSRB through EMMA with which the State was required to file, and the State has committed to update that information to the holders of its general obligation bonds in the manner specified in SEC Rule 15c2-12. Prospective purchasers of MTA's Dedicated Tax Fund Bonds wishing to obtain that information may refer to those filings regarding currently available information about the State. The State has not obligated itself to provide continuing disclosure in connection with the offering of MTA's Dedicated Tax Fund Bonds. MTA makes no representations about State information or its continued availability.

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SECURITY

The Dedicated Tax Fund Bonds, including the Series 2017A Bonds, are MTA's special obligations payable as to principal, redemption premium, if any, and interest solely from the security, sources of payment and funds specified in the DTF Resolution. Payment of principal of or interest on the Dedicated Tax Fund Bonds may not be accelerated in the event of a default.

The Dedicated Tax Fund Bonds are secured primarily by the sources of payment described under the caption "SOURCES OF PAYMENT", and are not secured by

- the general fund or other funds and revenues of the State, or
- the other funds and revenues of MTA or any of its affiliates or subsidiaries.

The Dedicated Tax Fund Bonds are not a debt of the State or the City, or any other local governmental unit. MTA has no taxing power.

Summaries of certain provisions of the DTF Resolution and the Standard Resolution Provisions have been filed with EMMA and are available on MTA's website.

Pledge Effected by the DTF Resolution

Trust Estate. The DTF Resolution provides that there are pledged to the payment of principal and redemption premium of, interest on, and sinking fund installments for, the Dedicated Tax Fund Bonds and Parity Debt, in accordance with their terms and the provisions of the DTF Resolution, subject only to the provisions permitting the application of that money for the purposes and on the terms and conditions permitted in the DTF Resolution, the following, referred to as the "Trust Estate":

- the proceeds of the sale of the Dedicated Tax Fund Bonds, until those proceeds are paid out for an authorized purpose,
- the Pledged Amounts Account in the MTA Dedicated Tax Fund (which includes MTTF Receipts and MMTOA Receipts), any money on deposit in that Account and any money received and held by MTA and required to be deposited in that Account, and
- all funds, accounts and subaccounts established by the DTF Resolution (except funds, accounts and subaccounts established pursuant to Supplemental Resolution, and excluded by such Supplemental Resolution from the Trust Estate as security for all Dedicated Tax Fund Bonds, in connection with Variable Interest Rate Obligations, Put Obligations, Parity Debt, Subordinated Indebtedness or Subordinated Contract Obligations), including the investments, if any, thereof.

The DTF Resolution provides that the Trust Estate is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the DTF Resolution, and all corporate action on the part of MTA to that end has been duly and validly taken.

Flow of Funds

The DTF Resolution establishes a Proceeds Fund held by MTA and a Debt Service Fund held by the Trustee. See "SUMMARY OF CERTAIN PROVISIONS OF THE DTF RESOLUTION" included herein by specific cross-reference for a description of the provisions of the DTF Resolution governing the deposits to and withdrawals from the Funds and Accounts. Amounts held by MTA or the Trustee in any of such Funds shall be held in trust separate and apart from all other funds and applied solely for the purposes specified in the DTF Resolution or any Supplemental Resolution thereto.

The following two charts summarize (i) the flow of taxes into the MTA Dedicated Tax Fund, and (ii) the flow of MTA Dedicated Tax Fund Revenues through the MTA Dedicated Tax Fund and the Funds and Accounts established under the DTF Resolution.

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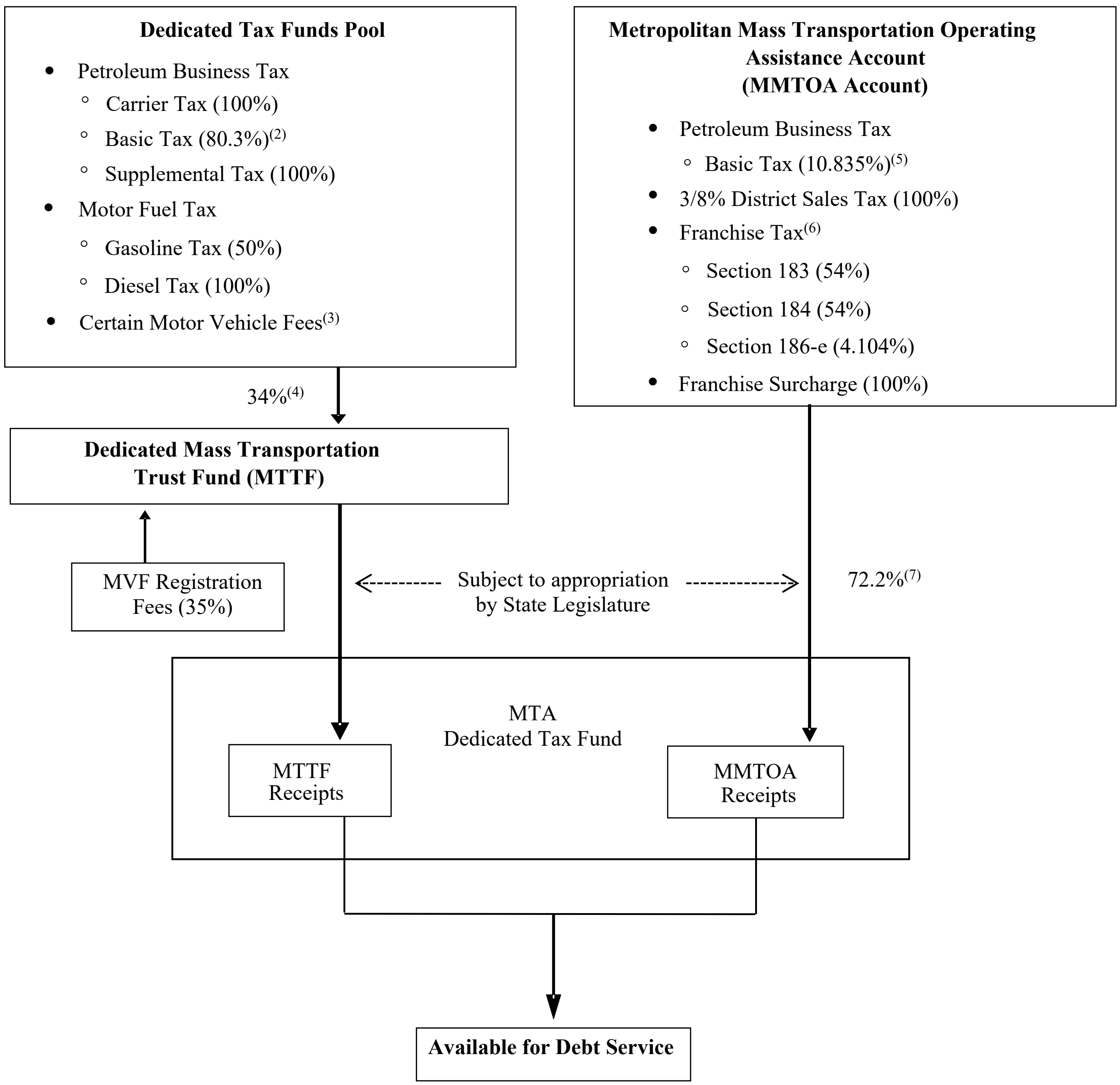
MTA DEDICATED TAX FUND BONDS SOURCES OF REVENUE
(Through March 31, 2017)[1]



Notes

(1) Parenthetical amounts and percentages, as well as flow of fund percentages, indicate the amount or percent of that tax or fund to be deposited for the year ending March 31, 2017 in the respective fund or account. The allocations shown may be changed at any time by the State Legislature.

(2) In addition, the first $7.5 million of the Basic Tax is appropriated to the Dedicated Tax Funds Pool prior to any percentage split of the Dedicated Tax Funds Pool. Effective December 1, 2017, all receipts from aviation fuel will be directed to an aviation purpose account, from which no receipts will be directed to the MTTF or MMTOA Account. Currently aviation fuel receipts are part of the basic tax.

(3) Beginning with the State Fiscal Year 2014-2015, and each year thereafter, a portion of the State Fiscal Year 2013-2014 Motor Vehicle General Fund transfer of $169.4 million has been replaced with a direct transfer of $62.7 million from the State General Fund to the DMTTF; $57.7 million of such amount flows to the MTA Dedicated Tax Fund as MTTF Receipts as defined in the DTF Resolution.

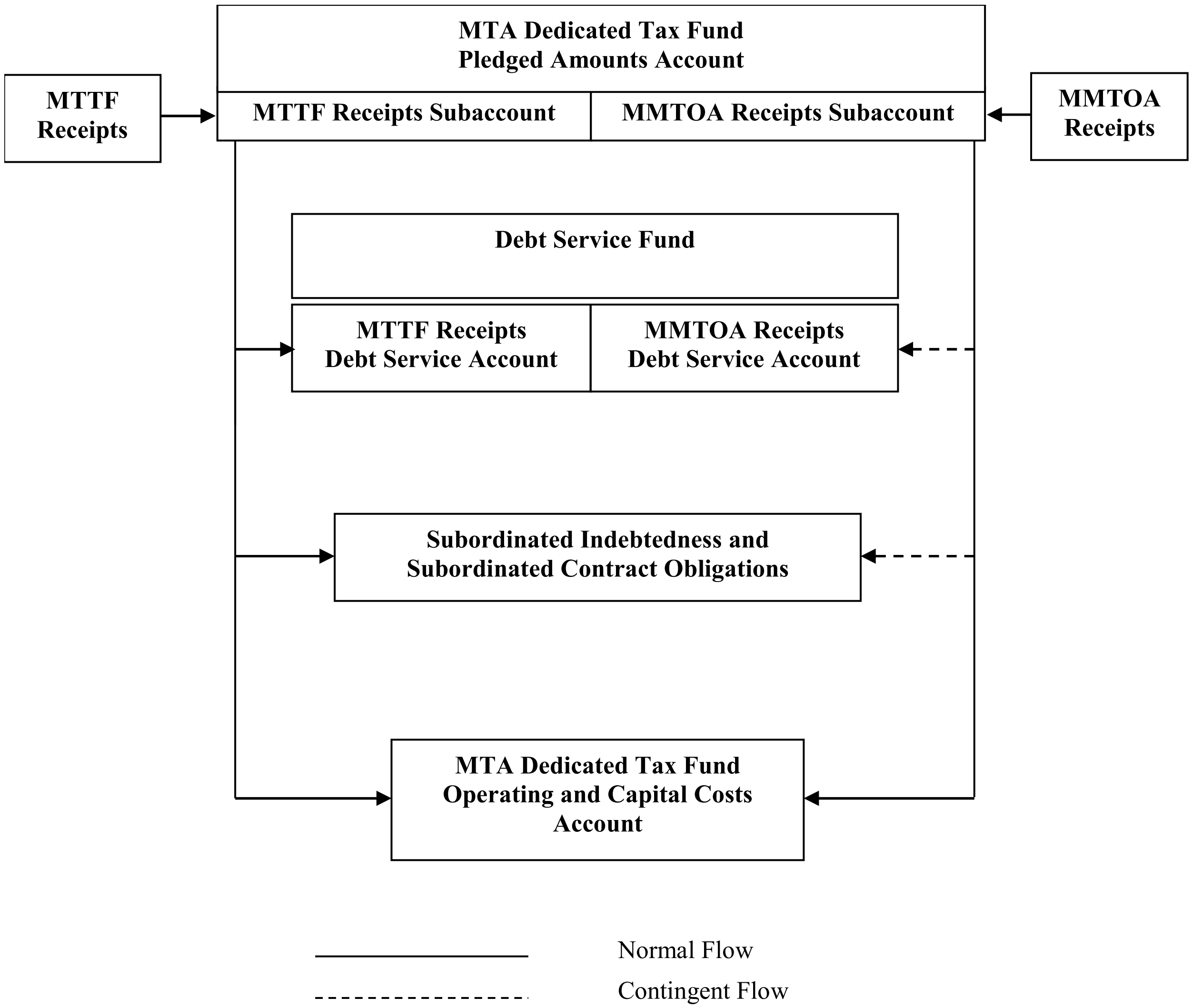
(4) Percentage of Dedicated Tax Funds Pool.

(5) The remaining 8.865% share of the Basic Tax is deposited in an account for certain upstate transportation entities.

(6) Effective through March 31, 2018.

(7) Percentage based upon appropriations in the State's Financial Plan First Quarterly Update for State Fiscal Year 2016-2017.

MTA DEDICATED TAX FUND BONDS – RESOLUTION FLOW OF FUNDS



All amounts on deposit in the Pledged Amounts Account – MTTF Receipts Subaccount are paid out before any amounts on deposit in the Pledged Amounts Account – MMTOA Receipts Subaccount are paid out.

Amounts paid out from any fund or account for an authorized purpose (excluding transfers to any other pledged fund or account) are free and clear of the lien and pledge created by the DTF Resolution.

Debt Service Fund

Pursuant to the DTF Resolution, the Trustee holds the Debt Service Fund, consisting of the MTTF Receipts Debt Service Account and the MMTOA Receipts Debt Service Account. Moneys in the Debt Service Fund are applied by the Trustee to the payment of Debt Service on the Dedicated Tax Fund Bonds in the manner, and from the accounts and subaccounts, more fully described under "SUMMARY OF CERTAIN PROVISIONS OF THE DTF RESOLUTION — Debt Service Fund" included herein by specific cross-reference.

MTA is required to make monthly deposits to the appropriate account of the Debt Service Fund of interest (1/5th of the next semiannual payment) and principal (1/10th of the next annual payment), first from MTTF Receipts and then, to the extent of any deficiency, from MMTOA Receipts.

Covenants

Additional Bonds. The DTF Resolution permits MTA to issue additional Bonds from time to time to pay or provide for the payment of Capital Costs and to refund Outstanding Bonds.

Under the DTF Resolution, MTA may issue one or more Series of Bonds for the payment of Capital Costs, provided, in addition to satisfying certain other requirements, MTA delivers a certificate that evidences MTA's compliance with the additional bonds test set forth in the DTF Resolution.

Such certificate must set forth:

(A) for any 12 consecutive calendar months ended not more than six months prior to the date of such certificate: (i) MTTF Receipts, (ii) MMTOA Receipts, and (iii) investment income received during such period on amounts on deposit in the Pledged Amounts Account, the MTTF Receipts Subaccount, the MMTOA Receipts Subaccount and the Debt Service Fund; and

(B) the greatest amount for the then current or any future Debt Service Year of the sum of (a) Calculated Debt Service on all Outstanding Obligations, including the proposed Capital Cost Obligations and any proposed Refunding Obligations being treated as Capital Cost Obligations, but excluding any Obligations or Parity Debt to be refunded with the proceeds of such Refunding Obligations, plus (b) additional amounts, if any, payable with respect to Parity Debt;

and then state:

(x) that the sum of the MTTF Receipts and investment income (other than investment income on the MMTOA Receipts Subaccount) set forth in clause (A) above is not less than 1.35 times the amount set forth in accordance with clause (B) above and

(y) that the sum of the MTTF Receipts, MMTOA Receipts and investment income set forth in clause (A) above is not less than 2.5 times the amount set forth in clause (B) above.

See "SUMMARY OF CERTAIN PROVISIONS OF THE DTF RESOLUTION—Special Provisions for Capital Cost Obligations" included herein by specific cross-reference for a description of further provisions which apply to the additional bonds test if the percentage of available existing taxes deposited into the MTA Dedicated Tax Fund is increased or additional taxes are added to the amounts so deposited.

For a discussion of the requirements relating to the issuance of Refunding Bonds, see "SUMMARY OF CERTAIN PROVISIONS OF THE DTF RESOLUTION—Special Provisions for Refunding Obligations" included herein by specific cross-reference.

Parity Debt

MTA may incur Parity Debt pursuant to the terms of the DTF Resolution that, subject to certain exceptions, would be secured by a pledge of, and a lien on, the Trust Estate on a parity with the lien created by the DTF Resolution with respect to the Dedicated Tax Fund Bonds. Parity Debt may be incurred in the form of a Parity Reimbursement Obligation, a Parity Swap Obligation or any other contract, agreement or other obligation of MTA designated as constituting "Parity Debt" in a certificate of an Authorized Officer delivered to the Trustee.

Appropriation by the State Legislature

The State Constitution provides that the State may not expend money without an appropriation, except for the payment of debt service on general obligation bonds or notes issued by the State. An appropriation is an authorization approved by the State Legislature to expend money. The State Constitution requires all appropriations of State funds, including funds in the MTTF and MMTOA Accounts, to be approved by the State Legislature at least every two years. In addition, the State Finance Law provides, except as described below, that appropriations shall cease to have force and effect, except as to liabilities incurred thereunder, at the close of the State Fiscal Year for which they were enacted and that to the extent of liabilities incurred thereunder, such appropriations shall lapse on the succeeding June 30th or September 15th, depending upon the nature of the appropriation. The State Legislature may not be bound in advance to make any appropriation, and there can be no assurances that the State Legislature will appropriate the necessary funds as anticipated. MTA expects that the State Legislature will make appropriations from amounts on deposit in the MTTF and MMTOA Accounts in order to make payments when due. Until such time as payments pursuant to such appropriation are made in full, revenues in the MTTF shall not be paid over to any entity other than MTA.

The State Legislature has expressed its intent in the State Finance Law to enact for each State Fiscal Year in the future in an annual budget bill an appropriation from the MTTF (with respect to the PBT portion only) to the MTA Dedicated Tax Fund for the then current State Fiscal Year and an appropriation of the amounts projected by the Director of the Budget to be deposited in the MTA Dedicated Tax Fund from the MTTF (with respect to the PBT portion only) for the next succeeding State Fiscal Year. In any State Fiscal Year, if the Governor does not submit or if the State Legislature does not enact a current year appropriation from the MTTF (with respect to the PBT portion) to the MTA Dedicated Tax Fund, or such appropriation has been delayed, MTA is required to notify the State of amounts required to be disbursed from the appropriation made during the preceding State Fiscal Year for payment in the current State Fiscal Year. The State Comptroller may not make any payments from the MTTF to the MTA Dedicated Tax Fund from such prior year appropriation prior to May 1st of the current State Fiscal Year.

The adopted State budget for State Fiscal Year 2016-2017 included two appropriations from the MTTF to the MTA Dedicated Tax Fund. One such appropriation is for the State Fiscal Year that ends March 31, 2017 and the other such appropriation is for the succeeding State Fiscal Year that ends March 31, 2018. MTA has periodically availed itself of the latter appropriation to meet operating costs in response to delays in the adoption of the State budget in such years.

A budgetary imbalance in the present or any future State Fiscal Year could affect the ability and willingness of the State Legislature to appropriate and the availability of moneys to make the payments from the MTTF and the MMTOA Accounts. However, MTA believes that if the State Legislature does not make appropriations as contemplated, it would have a serious impact on the ability of the State and its public benefit corporations to raise funds in the public credit markets.

Agreement of the State

The MTA Act prohibits MTA from filing a voluntary petition in bankruptcy under Chapter 9 of the Federal Bankruptcy Code or such successor chapters or sections as may from time to time be in effect and the State has pledged that so long as any notes, bonds or lease obligations of the MTA are outstanding, it will not limit or alter the denial of authority to MTA to so file. Chapter 9 does not provide authority for creditors to file involuntary bankruptcy proceedings against MTA or other Related Entities.

Under the MTA Act, the State pledges to and agrees with the holders of any notes, bonds or lease obligations issued or incurred by MTA, including the Series 2017A Bonds, that the State will not limit or alter the rights vested in MTA to fulfill the terms of any agreements made by MTA with the holders of its notes, bonds and lease obligations, including the Series 2017A Bonds, or in any way impair the rights and remedies of such holders. Notwithstanding the foregoing, in accordance with State law, nothing in the DTF Resolution shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the MTA Dedicated Tax Fund Revenues or the taxes or appropriations which are the source of such Revenues. No default under the DTF Resolution would occur solely as a result of the State exercising its right to amend, repeal, modify or otherwise alter such taxes or appropriations.

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PART III. OTHER INFORMATION ABOUT THE SERIES 2017A BONDS

Part III of this official statement provides miscellaneous additional information relating to the Series 2017A Bonds.

TAX MATTERS

General

Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C. are Co-Bond Counsel for the Series 2017A Bonds. Each Co-Bond Counsel is of the opinion that, under existing law, relying on certain statements by MTA and assuming compliance by MTA with certain covenants, interest on the Series 2017A Bonds is:

- excluded from an Owner's federal gross income under Section 103 of the Internal Revenue Code of 1986, and
- not a specific preference item for an Owner in calculating the federal alternative minimum tax, but
- included in the adjusted current earnings of certain corporations in calculating the federal corporate alternative minimum tax.

Each Co-Bond Counsel is also of the opinion that, under existing law, interest on the Series 2017A Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See **Attachment 3** to this official statement for the form of the opinions that Co-Bond Counsel each expect to deliver when the Series 2017A Bonds are delivered.

The Series 2017A Bonds

The Internal Revenue Code of 1986 imposes requirements on the Series 2017A Bonds that MTA must continue to meet after the Series 2017A Bonds are issued. These requirements generally involve the way that Series 2017A Bond proceeds must be invested and ultimately used and the way that assets financed and refinanced with proceeds of the Series 2017A Bonds must be used. If MTA does not meet these requirements, it is possible that an Owner may have to include interest on the Series 2017A Bonds in its federal gross income on a retroactive basis to the date of issue. MTA has covenanted to do everything necessary to meet the requirements of the Internal Revenue Code of 1986.

An Owner who is a particular kind of taxpayer may also have additional tax consequences from owning the Series 2017A Bonds. This is possible if an Owner is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit, or
- a borrower of money to purchase or carry the Series 2017A Bonds.

If an Owner is in any of these categories, it should consult its tax advisor.

Co-Bond Counsel are not responsible for updating their respective opinions in the future. It is possible that future events could change the tax treatment of the interest on the Series 2017A Bonds or affect the market price of the Series 2017A Bonds. See also "Miscellaneous" below under this heading.

Co-Bond Counsel express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Series 2017A Bonds, or under State, local or foreign tax law.

Original Issue Discount

Each maturity of the Series 2017A Bonds will have "original issue discount" if the price first paid by the Owner for a substantial amount of such Series 2017A Bonds is less than the principal amount of these Series 2017A Bonds. Original issue discount on these Series 2017A Bonds as it accrues is excluded from an Owner's federal gross income under the Internal Revenue Code of 1986 to the same extent and subject to the same considerations discussed above as interest paid on the Series 2017A Bonds. In addition, original issue discount on these Series 2017A Bonds as it accrues is exempt from personal income taxes of the State and its political subdivisions, including the City. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues an Owner's tax basis in these Series 2017A Bonds will be increased. If an Owner owns one of these Series 2017A Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Bond Premium

If an Owner purchases a Series 2017A Bond for a price that is more than the principal amount, generally the excess is "bond premium" on that Series 2017A Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized an Owner's tax basis in that Series 2017A Bond will be reduced. The Owner of a Series 2017A Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Series 2017A Bond. An Owner in certain circumstances may realize a taxable gain upon the sale of a Series 2017A Bond with bond premium, even though the Series 2017A Bond is sold for an amount less than or equal to the Owner's original cost. If an Owner owns any Series 2017A Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, such as the Series 2017A Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the interest recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Internal Revenue Code of 1986. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an Owner purchasing a Series 2017A Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2017A Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the Owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Legislative or administrative actions and court decisions, at either the federal or state level, may cause interest on the Series 2017A Bonds to be subject, directly or indirectly, in whole or in part, to federal, state or local income taxation, and thus have an adverse impact on the value or marketability of the Series 2017A Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion or exemption of the interest on the Series 2017A Bonds from gross income for federal or state income tax purposes, or otherwise. For example, presidential budget proposals in recent years have proposed legislation that would limit the extent of the exclusion from gross income of interest on obligations of states and political subdivisions under Section 103 of the Internal Revenue Code of 1986 (including the Series 2017A Bonds) for taxpayers whose income exceeds certain thresholds. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2017A Bonds may occur. Prospective purchasers of the Series 2017A Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2017A Bonds. Co-Bond Counsel have not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2017A Bonds may affect the tax status of interest on the Series 2017A Bonds.

Prospective purchasers of the Series 2017A Bonds should consult their own tax advisors regarding the foregoing matters.

LEGALITY FOR INVESTMENT

The MTA Act provides that the Series 2017A Bonds are securities in which the following investors may properly and legally invest funds, including capital in their control or belonging to them:

- all public officers and bodies of the State and all municipalities and political subdivisions in the State,
- all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business,
- all administrators, guardians, executors, trustees and other fiduciaries, and
- all other persons whatsoever who are now or who may hereafter be authorized to invest in the obligations of the State.

Certain of those investors, however, may be subject to separate restrictions that limit or prevent their investment in the Series 2017A Bonds.

LITIGATION

There is no pending litigation concerning the Series 2017A Bonds.

MTA is the defendant in numerous claims and actions, as are its affiliates and subsidiaries, including MTA New York City Transit, MaBSTOA, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Bus and MTA Bridges and Tunnels. Certain of these claims and actions, either individually or in the aggregate, are potentially material to MTA, its affiliates or subsidiaries. MTA does not believe that any of these claims or actions would affect the application of the sources of payment for the Series 2017A Bonds. A summary of certain of these potentially material claims and actions is set forth in Part 6 of the **ADS** under the caption "LITIGATION," as that filing may be amended or supplemented to date.

FINANCIAL ADVISOR

Public Resources Advisory Group, Inc. and Backstrom McCarley Berry & Co., LLC are MTA's Co-Financial Advisors for the Series 2017A Bonds. The Co-Financial Advisors have provided MTA advice on the plan of financing and reviewed the pricing of the Series 2017A Bonds. The Co-Financial Advisors have not independently verified the information contained in this official statement and do not assume responsibility for the accuracy, completeness or fairness of such information.

UNDERWRITING

The Underwriters for the Series 2017A Bonds, acting through Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Representative, have agreed, subject to certain conditions, to purchase from MTA the Series 2017A Bonds described on the inside cover of this official statement at an aggregate purchase price of $352,969,869.81, reflecting a net original issue premium of $41,730,565.35 and an Underwriters' discount of $1,585,695.54 and to reoffer such Series 2017A Bonds at the public offering prices or yields set forth on the inside cover.

The Series 2017A Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2017A Bonds into investment trusts) at prices lower or yields higher than such public offering prices or yields and prices or yields may be changed, from time to time, by the Underwriters.

The Underwriters' obligations to purchase the Series 2017A Bonds are subject to certain conditions precedent, and they will be obligated to purchase all such Series 2017A Bonds if any Series 2017A Bonds are purchased.

Two Underwriters, PNC Capital Markets LLC and The Williams Capital Group, L.P., have entered into a joint-venture arrangement. Such joint-venture arrangement provides for sharing of Underwriters' discount in connection with orders for the Series 2017A Bonds.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by MTA as Underwriters) for the distribution of the Series 2017A Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for MTA, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of MTA. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATINGS

The Summary of Terms identifies the ratings of the credit rating agencies that are assigned to the Series 2017A Bonds. Those ratings reflect only the views of the organizations assigning them. An explanation of the significance of the ratings or any outlooks or other statements given with respect thereto from each identified agency may be obtained as follows:

Fitch Ratings 33 Whitehall Street New York, New York 10004 (212) 908-0500	S&P Global Ratings 55 Water Street New York, New York 10041 (212) 438-2000

MTA has furnished information to each rating agency rating the Series 2017A Bonds, including information not included in this official statement, about MTA and the Series 2017A Bonds. Generally, rating agencies base their ratings on that information and on independent investigations, studies and assumptions made by each rating agency. A securities rating is not a recommendation to buy, sell or hold securities. There can be no assurance that ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by a rating agency if, in the judgment of that rating agency, circumstances warrant the revision or withdrawal. Those circumstances may include, among other things, changes in or unavailability of information relating to MTA or the Series 2017A Bonds. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the Series 2017A Bonds.

LEGAL MATTERS

All legal proceedings in connection with the issuance of the bonds being offered are subject to the approval of the nationally-recognized Co-Bond Counsel firms identified on page (i) and in the Summary of Terms. The form of the opinions of Co-Bond Counsel is **Attachment 3** to this official statement.

The Underwriters have appointed Norton Rose Fulbright US LLP as counsel to the Underwriters in connection with the underwriting of the Series 2017A Bonds, which firm will pass upon certain legal matters.

Certain legal matters will be passed upon by Hawkins Delafield & Wood LLP, special disclosure counsel to MTA.

Certain legal matters regarding MTA will be passed upon by its Acting General Counsel.

CONTINUING DISCLOSURE

As more fully stated in **Attachment 2**, MTA has agreed to provide certain financial information and operating data by no later than 120 days following the end of each fiscal year. That information is to include, among other things, information concerning MTA's annual audited financial statements prepared in accordance with generally accepted accounting principles, or if unavailable, unaudited financial statements will be delivered until audited statements become available. MTA has undertaken to file such information (the Annual Information) with EMMA.

MTA has further agreed to deliver notice to EMMA of any failure to provide the Annual Information. MTA is also obligated to deliver, in a timely manner not in excess of ten business days after the occurrence of each event, notices of the following events to EMMA:

- principal and interest payment delinquencies;
- non-payment related defaults, if material;
- unscheduled draws on debt service reserves reflecting financial difficulties;
- unscheduled draws on credit enhancements reflecting financial difficulties;
- substitution of credit or liquidity providers, or their failure to perform;
- adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2017A Bonds or other material events affecting the tax status of the Series 2017A Bonds;

- modifications to the rights of security holders, if material;
- bond calls, if material, and tender offers;
- defeasances;
- release, substitution, or sale of property securing repayment of the Series 2017A Bonds, if material;
- rating changes;
- bankruptcy, insolvency, receivership or similar event;
- consummation of a merger, consolidation or acquisition involving an obligated person or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; and
- appointment of a successor or additional trustee or the change in name of a trustee, if material.

Additional Continuing Disclosure Requirements

Consistent with the requirements of the Climate Bonds Standard and Certification Process, MTA, as described above under "APPLICATION OF PROCEEDS – Climate Bond Certified", will add the following requirements to its continuing disclosure filing obligation with respect to the Series 2017A Bonds:

- within one year of the issuance of the Series 2017A Bonds, and annually thereafter until the maturity or prior redemption of the Series 2017A Bonds, MTA will file a post-issuance compliance certificate as required by the Certification Process;
- in a timely manner not in excess of 10 business days after the occurrence of the event:
    - any event of material non-conformance with the Certification Process and the action MTA is taking or expecting to take to bring the projects and/or assets into conformance; and
    - any revocation of the Climate Bond Certification by the Climate Bonds Initiative.

MTA has not failed to comply, in any material respect, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

MTA is not responsible for any failure by EMMA or any nationally recognized municipal securities information repository to timely post disclosure submitted to it by MTA or any failure to associate such submitted disclosure to all related CUSIPs.

FURTHER INFORMATION

MTA may place a copy of this official statement on MTA's website at http://web.mta.info/mta/investor/. No statement on MTA's website or any other website is included by specific cross-reference herein.

Although MTA has prepared the information on its website for the convenience of those seeking that information, no decision in reliance upon that information should be made. Typographical or other errors may have occurred in converting the original source documents to their digital format, and MTA assumes no liability or responsibility for errors or omissions contained on any website. Further, MTA disclaims any duty or obligation to update or maintain the availability of the information contained on any website or any responsibility or liability for any damages caused by viruses contained within the electronic files on any website. MTA also assumes no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

METROPOLITAN TRANSPORTATION AUTHORITY

By: /s/ Patrick J. McCoy
Patrick J. McCoy
Director, Finance

ATTACHMENT 1
BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company (DTC), New York, NY, will act as securities depository for the Series 2017A Bonds. The Series 2017A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2017A Bond will be issued for each maturity of the Series 2017A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity of the Series 2017A Bonds exceeds $500 million, one Bond of such maturity will be issued with respect to each $500 million of principal amount, and an additional Bond will be issued with respect to any remaining principal amount of such maturity.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (Direct Participants) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (Indirect Participants). DTC has an S & P rating of AA+. The DTC Rules applicable to Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

3. Purchases of Series 2017A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2017A Bond (Beneficial Owner) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2017A Bonds, except in the event that use of the book-entry-only system for the Series 2017A Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2017A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017A Bond documents. For example, Beneficial Owners of the Series 2017A Bonds may wish to ascertain that the nominee holding the Series 2017A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Series 2017A Bonds of any maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2017A Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to MTA as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2017A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds and principal and interest payments on the Series 2017A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from MTA or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or MTA, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of MTA or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Series 2017A Bonds at any time by giving reasonable notice to MTA or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2017A Bonds are required to be printed and delivered.

10. MTA may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depository). In that event, certificates for the Series 2017A Bonds will be printed and delivered.

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT MTA BELIEVES TO BE RELIABLE, BUT MTA TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

ATTACHMENT 2
CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (Rule 15c2-12), MTA and the Trustee will enter into a written agreement (the Disclosure Agreement) for the benefit of holders of the Series 2017A Bonds to provide continuing disclosure. MTA will undertake to provide certain financial information and operating data relating to MTA by no later than 120 days after the end of each MTA fiscal year, commencing with the fiscal year ending December 31, 2016 (the "Annual Information"), and to provide notices of the occurrence of certain enumerated events. The Annual Information will be filed by or on behalf of MTA with the Electronic Municipal Market Access System ("EMMA") of the Municipal Securities Rulemaking Board (the "MSRB"). Notices of enumerated events will be filed by or on behalf of MTA with EMMA. The nature of the information to be provided in the Annual Information and the notices of material events is set forth below.

Pursuant to Rule 15c2-12, MTA will undertake for the benefit of holders of the Series 2017A Bonds to provide or cause to be provided either directly or through the Trustee, audited combined financial statements of MTA by no later than 120 days after the end of each fiscal year commencing with the fiscal year ending December 31, 2016, when and if such audited financial statements become available and, if such audited financial statements of MTA are not available on the date which is 120 days after the end of a fiscal year, the unaudited financial statements of MTA for such fiscal year.

The required Annual Information shall consist of at least the following:

1. description of the transit and commuter systems operated by the MTA and its affiliates and subsidiaries and their operations,

2. information regarding the transit and commuter capital programs, including information of the type included in MTA Annual Disclosure Statement (the ADS, and formerly Appendix A – The Related Entities) under the caption "FINANCIAL PLANS AND CAPITAL PROGRAMS,"

3. presentation of changes to indebtedness issued by MTA under the DTF Resolution, as well as information concerning changes to MTA's debt service requirements on such indebtedness payable from DTF Revenues,

4. financial information and operating data of the type included in the ADS under the caption "DEDICATED TAX FUND BONDS" which shall include information relating to the following:

    a. description of how the State allocates taxes to the MTA Dedicated Tax Fund;

    b. description of the material taxes allocated to the MTA Dedicated Tax Fund, currently the petroleum business tax, the motor fuel tax on gasoline and diesel fuel, certain motor vehicle fees, including both registration and non-registration fees, the District Sales Tax, the Franchise Taxes, and the Franchise Surcharge, together with a description of the tax rate, the tax base and the composition and collection of such taxes by the State (unless the taxes constituting the sources of revenue have been materially changed or modified, in which case similar information about such new or modified taxes will be provided); and

    c. for the material taxes then constituting a source of revenue for the MTA Dedicated Tax Fund, an historical summary of such revenue, if available, together with an explanation of the factors affecting collection levels, for a period of at least the five most recent completed fiscal years then available,

5. information concerning the amounts, sources, material changes in and material factors affecting DTF Revenues and debt service incurred under the DTF Resolution,

6. material litigation related to any of the foregoing, and

7. such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial information and operating data concerning, and in judging the financial condition of, MTA.

All or any portion of the Annual Information as well as required audited financial statements may be incorporated therein by specific cross-reference to any other documents which have been filed with (a) EMMA or (b) the Securities and Exchange Commission. Annual Information for any fiscal year containing any amended operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such amendment and the impact of the change on the type of operating data or financial information in the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such amendment, such information shall present a comparison between the financial statements or information prepared on the basis of the amended accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information. To the extent feasible, such comparison shall also be quantitative. A notice of any such change in accounting principles shall be sent to EMMA.

MTA will undertake, for the benefit of holders of the Series 2017A Bonds, to provide or cause to be provided:

1. to EMMA, in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the events listed under the caption "CONTINUING DISCLOSURE" in this official statement with respect to the Series 2017A Bonds, and
2. to EMMA, in a timely manner, notice of a failure to provide any Annual Information required by such undertaking or any required audited financial statements of MTA.

Consistent with the requirements of the Climate Bonds Standard and Certification Process, MTA will cause to be provided to EMMA:

1. within one year of the issuance of the Series 2017A Bonds, and annually thereafter until the maturity or prior redemption of the Series 2017A Bonds, MTA will file a post-issuance compliance certificate as required by the Certification Process;
2. in a timely manner not in excess of 10 business days after the occurrence of the event:
    a. any event of material non-conformance with the Certification Process and the action MTA is taking or expecting to take to bring the projects and/or assets into conformance; and
    b. any revocation of the Climate Bond Certification by the Climate Bonds Initiative.

The Disclosure Agreement provides that if any party to the Disclosure Agreement fails to comply with any provisions of its undertaking described herein, then any holder of the Series 2017A Bonds (which will include beneficial owners during any period that DTC acts as securities depository for, and DTC or its nominee is the registered owner of, the Series 2017A Bonds) may enforce, for the equal benefit and protection of all holders similarly situated, by mandamus or other suit or proceeding at law or in equity, the undertaking against such party and any of its officers, agents and employees, and may compel such party or any of its officers, agents or employees to perform and carry out their duties thereunder; provided that the sole and exclusive remedy for breach under the undertaking is an action to compel specific performance, and no person or entity, including any holder of the Series 2017A Bonds, may recover monetary damages thereunder under any circumstances, and provided further that any challenge to the adequacy of any information under the undertaking may be brought only by the Trustee or the holders of 25 percent in aggregate principal amount of the Series 2017A Bonds at the time outstanding which are affected thereby. MTA and the Trustee reserve the right, but shall not be obligated to, enforce the obligations of the others. Failure to comply with any provisions of the undertaking shall not constitute a default under the DTF Resolution nor give right to the Trustee or any Holder to exercise any remedies under the DTF Resolution. In addition, if all or any part of Rule 15c2-12 ceases to be in effect for any reason, then the information required to be provided under the undertaking insofar as the provision of Rule 15c2-12 no longer in effect required the provision of such information, shall no longer be required to be provided.

The foregoing is intended to set forth a general description of the type of financial information and operating data that will be provided; the descriptions are not intended to state more than general categories of financial information and operating data; and where MTA's undertaking calls for information that no longer can be generated or is no longer relevant because the operations to which it related have been materially changed or discontinued, a statement to that effect will be provided. MTA does not anticipate that it often will be necessary to amend the undertaking. The undertaking, however, may be amended or modified under certain circumstances set forth therein and the undertaking will continue until the earlier of the date the Series 2017A Bonds have been paid in full or legally defeased pursuant to the DTF Resolution or the date the undertaking is no longer required by law. Copies of the undertaking when executed by the parties will be on file at the office of MTA.

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ATTACHMENT 3
FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

Upon delivery of the Series 2017A Bonds in definitive form, each of Nixon Peabody LLP, New York, New York, and D. Seaton and Associates, P.A., P.C., New York, New York, Co-Bond Counsel to MTA, proposes to render its final approving opinion in substantially the following form:

[Date of Delivery]

Metropolitan Transportation Authority
New York, New York

Ladies and Gentlemen:

We have examined a certified record of proceedings of the Metropolitan Transportation Authority ("MTA") and other proofs submitted to us relative to the issuance of $312,825,000 aggregate principal amount of Metropolitan Transportation Authority Dedicated Tax Fund Green Bonds, Series 2017A (Climate Bond Certified) (the "Series 2017A Bonds").

All terms defined in the Resolution (hereinafter defined) and used herein shall have the meanings assigned in the Resolution, except where the context hereof requires otherwise.

The Series 2017A Bonds are issued under and pursuant to the Constitution and statutes of the State of New York (the "State"), including the Metropolitan Transportation Authority Act, being Title 11 of Article 5 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended to the date of this opinion letter (herein called the "Issuer Act"), and under and pursuant to proceedings of MTA duly taken, including a resolution adopted by the members of MTA on March 26, 2002 entitled "Dedicated Tax Fund Obligation Resolution," as supplemented by the Multiple Series 2016 Dedicated Tax Fund Bond Supplemental Resolution, adopted on December 16, 2015 (collectively, the "Resolution"). The Series 2017A Bonds are dated, mature, are payable, are subject to redemption and bear interest all as provided in the Resolution.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2017A Bonds in order that interest on the Series 2017A Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. We have examined the Arbitrage and Use of Proceeds Certificate of MTA, dated the date hereof (the "Arbitrage and Use of Proceeds Certificate"), in which MTA has made representations, statements of intention and reasonable expectation, certifications of fact and covenants relating to the federal tax status of interest on the Series 2017A Bonds, including, but not limited to, certain representations with respect to the use of the proceeds of the Series 2017A Bonds and the investment of certain funds. The Arbitrage and Use of Proceeds Certificate obligates MTA to take certain actions necessary to cause interest on the Series 2017A Bonds to be excluded from gross income pursuant to Section 103 of the Code. Noncompliance with the requirements of the Code could cause interest on the Series 2017A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance, irrespective of the date on which such noncompliance occurs or is ascertained. MTA has covenanted in the Resolution to maintain the exclusion of the interest on the Series 2017A Bonds from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

In rendering the opinion in paragraph 6 hereof, we have relied upon and assumed the material accuracy of the representations, statements of intention and reasonable expectation and certifications of fact contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the exclusion of interest on the Series 2017A Bonds from gross income for federal income tax purposes under Section 103 of the Code and compliance by MTA with procedures and covenants set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

We have also examined one of said Series 2017A Bonds as executed and, in our opinion, the form of said Series 2017A Bond and its execution are regular and proper.

We are of the opinion that:

1. MTA is duly created and validly existing under the laws of the State, including the Constitution of the State and the Issuer Act.

2. MTA has the right and power under the Issuer Act to adopt the Resolution. The Resolution has been duly and lawfully adopted by MTA, is in full force and effect, is valid and binding upon MTA, and is enforceable in accordance with its terms, and no other authorization for the Resolution is required. The Resolution creates the valid pledge which it purports to create of the Trust Estate, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The Series 2017A Bonds have been duly and validly authorized and issued in accordance with the laws of the State, including the Constitution of the State and the Issuer Act, and in accordance with the Resolution, and are valid and binding special obligations of MTA, enforceable in accordance with their terms and the terms of the Resolution, payable solely from the Trust Estate as provided in the Resolution, and are entitled to the benefits of the Issuer Act and the Resolution. MTA has no taxing power and the Series 2017A Bonds are not debts of the State or of any other political subdivision thereof. MTA reserves the right to issue additional Obligations and to incur Parity Debt on the terms and conditions, and for the purposes, provided in the Resolution, on a parity as to security and payment with the Series 2017A Bonds.

4. MTA, the holders of the Series 2017A Bonds, or the holders of any evidence of indebtedness of MTA do not and will not have a pledge of or lien on (i) the dedicated mass transportation trust fund established by Section 89-c of the State Finance Law, (ii) the metropolitan transportation authority financial assistance fund established by Section 92-ff of the State Finance Law, (iii) the metropolitan mass transportation operating assistance account established in the mass transportation operating assistance fund pursuant to Section 88-a of the State Finance Law, or (iv) the taxes or moneys deposited therein.

5. The Series 2017A Bonds are securities in which all public officers and bodies of the State and all municipalities and political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons who are or may be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them to the extent that the legality of such investment is governed by the laws of the State; and which may be deposited with and shall be received by all public officers and bodies of the State and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the State is or may be authorized.

6. Under existing statutes and court decisions (i) interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (ii) interest on the Series 2017A Bonds is not treated as a specific preference item in calculating the federal alternative minimum tax imposed on individuals and corporations under the Code; however, we note that interest is included in the adjusted current earnings of certain corporations for purposes of calculating the federal corporate alternative minimum tax.

7. Under existing statutes, interest on the Series 2017A Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

The opinions expressed in paragraphs 2 and 3 above are subject to applicable bankruptcy, insolvency, receivership, reorganization, arrangements, fraudulent conveyances, moratorium and other laws heretofore or hereafter enacted affecting creditors' rights and are subject to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforcement is considered in a proceeding in equity or at law.

Except as stated in paragraphs 6 and 7, we express no opinion regarding any other federal, state, local or foreign tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2017A Bonds. We express no opinion regarding the federal, state, local or foreign tax consequences of any action hereafter taken or not taken in reliance upon an opinion of other counsel with respect to the Series 2017A Bonds.

We express no opinion as to the accuracy or sufficiency of any financial or other information which has been or will be supplied to purchasers of the Series 2017A Bonds. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Series 2017A Bonds and express no opinion with respect thereto.

This opinion letter is rendered solely with regard to the matters expressly opined on above and does not consider or extend to any documents, agreements, representations or other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any future actions, facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any reason whatsoever.

Very truly yours,

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ATTACHMENT 4
SUPPLEMENT TO THE 2016 MTA ANNUAL DISCLOSURE STATEMENT
JANUARY 31, 2017

This Supplement to the Metropolitan Transportation Authority ("MTA") Annual Disclosure Statement is dated January 31, 2017 (the "Supplement") and contains information only about the specific matters described herein and only through that date. The 2016 MTA Annual Disclosure Statement (as heretofore supplemented and updated, the "ADS") dated April 29, 2016, as supplemented May 10, 2016, as updated on August 17, 2016 ("First Quarterly Update"), as supplemented October 11, 2016, and as updated on December 21, 2016 ("Second Quarterly Update") should be read, in its entirety, in connection with the information in this Supplement. MTA expects to file this Supplement with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access system and may incorporate such information herein by specific cross-reference. MTA retains the right to further update and supplement specific information contained herein as events warrant.

The factors affecting MTA's financial condition are complex. This Supplement may contain forecasts, projections, and estimates that are based on expectations and assumptions, which existed at the time they were prepared, and contains statements relating to future results and economic performance that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "budget," "project," "forecast," "anticipate" or other similar words. The forward looking statements contained herein are based on MTA's expectations and are necessarily dependent upon assumptions, estimates and data that it believes are reasonable as of the date made but that may be incorrect, incomplete, imprecise or not reflective of actual results. Forecasts, projections and estimates are not intended as representations of fact or guarantees of results. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as set forth in the preceding paragraph, MTA does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur. These forward-looking statements speak only as of the date of this Supplement.

This Supplement updates information set forth in the ADS relating to certain funding challenges for MTA, the approval of 2017 fare and toll increases, a draw on a line of credit to pay down certain outstanding notes of MTA and the appointment of an interim Executive Director and acting Chairman.

Challenges Going Forward

While MTA's financial position has improved, as reflected in the November Financial Plan 2017-2020, as approved by the MTA Board on December 14, 2016, there are challenges and risks going forward in addition to those set forth in the Second Quarterly Update to MTA's 2016 Annual Disclosure Statement dated December 21, 2016:

Reductions in Certain New York State ("State") Support Revenues. The Governor's Executive Budget for the State fiscal year ("SFY") starting April 1, 2017 and released on January 17, 2017, includes reductions in expected Metropolitan Mass Transportation Operating Assistance ("MMTOA") and Payroll Mobility Tax ("PMT") replacement funds (referred to as "PMT Revenue Offset") payable from appropriated State budget funds. Specifically, the Executive Budget, throughout this Supplement, if enacted as proposed by the Governor without amendment or revision, would hold MMTOA revenue flat in MTA's fiscal year ending December 31, 2017. This is the second consecutive year that the Executive Budget has held MTA's MMTOA revenues constant. In addition to the reduction in expected MMTOA revenue, the Executive Budget also reduces the PMT Revenue Offset appropriations by $67 million for MTA's 2017 fiscal year and projects no growth from that level for the remaining plan years through 2020. As a partial offset, the Executive Budget does forecast $9 million in higher Petroleum Business Tax receipts and $8 million in higher MTA Aid than are in the November Financial Plan 2017-2020. The combined impact to MTA is a projected reduction in revenue of $125 million in 2017 which the MTA fully expects to offset in the February Plan update. Sources may include, but are not limited to, Business Interruption Insurance proceeds, debt service savings and the identification of additional operating efficiencies.

As advised by the New York State Division of the Budget ("DOB"), MTA will be adjusting the growth assumptions for MMTOA revenue based on the latest projections provided by DOB for the 2018-2020 plan years in the 2017 MTA February Financial Plan ("February Plan"). MTA will continue to take appropriate action to remedy any future plan years projected deficits. The combined effect of the impact of the Executive Budget and moderate adjustments to the projected growth assumptions of MMTOA on MTA's operating budget and financial plan are detailed below:

	(in millions)			
	2017	**2018**	**2019**	**2020**
Metropolitan Mass Transportation Operating Assistance (MMTOA)	($75.098)	$6.508	$6.811	($8.659)
PMT Revenue Offset	(67.000)	(67.000)	(67.000)	(67.000)
MTA Aid Trust Account Revenues	8.000	8.000	8.000	8.000
Petroleum Business Tax	8.778	8.778	8.778	8.778
Total Impact	**($125.320)**	**($43.714)**	**($43.411)**	**($58.881)**

Delays in Programmed Capital Support. Programmed support from the State for various elements of MTA's 2005-2009 and 2010-2014 Capital Programs has not been paid to MTA. The MTA has not received a capital payment from the State since SFY 2014, when it received $150 million from the proceeds of State authority revenue bonds for the 2010-2014 Capital Program. Subsequent to the State's 2014 Capital Program and Financing Plan (part of the State's budget for SFY ending March 31, 2014), amounts pledged by the State to MTA have been delayed in their scheduled payment in the last two SFY Capital Program and Financing Plans included as part of each enacted State budget.

DOB has advised MTA that it will receive a portion of the delayed capital support in MTA's 2017 fiscal year, but no definitive schedule for the anticipated receipt of such funds has been provided to MTA at this time. Receipt of such capital support would reduce the amount of MTA borrowing by a comparable amount and reduce MTA's projected debt service over the near term.

The State has proposed additional new capital projects for inclusion in existing programs, including projects that are expected to be considered by the MTA Board in February, 2017 for inclusion in amendments to the MTA 2015-2019 Capital Program. In addition to such proposed capital program amendments and the delayed funding by the State of its commitments to the MTA's 2005-2009 and 2010-2014 Capital Programs, State capital funding support for the MTA's 2015-2019 Capital Program totaling $8.3 billion is back-loaded with almost 90% due when funding will also be required for MTA's 2020-2024 Capital Program. The current MTA 2015-2019 Capital Program funding schedule reflects payments by the State in fulfillment of its financial commitment to MTA beginning with $150 million in SFY 2018, $250 million in SFY 2019 and $350 million in SFY 2020, and $250 million for Penn Station Access when required, with final aggregate payments in an amount equal to $7,336 million to be made no later than SFY 2026. The State may choose to fund its commitments in any number of ways, including, without limitation, direct grants, State G.O. Bonds or State appropriation-backed bonds, or the provision of incremental revenue streams to secure MTA bonds. However, in light of, among other things, the State's financial commitments to other major capital projects throughout the State and statutorily imposed State debt issuance limitations, no assurances can be given that the State will have the ability to timely fulfill its past and future funding commitments to MTA's capital projects. Any such means of funding will require significant State revenues for extended periods and could be subject to future discretionary executive and legislative actions.

Board Approval of 2017 Fare/Toll Increases

On January 25, 2017, the MTA Board approved 4% rate increases in transit and commuter fares and MTA Bridges and Tunnels tolls to be implemented on March 19, 2017. As previously disclosed in the Second Quarterly Update, the projected increased revenues generated by these biennial fare and toll increases are incorporated in the MTA's 2017-2020 Financial Plan.

Highlights of the adjustments include:

- maintaining the base fare for subways and buses at $2.75 and keeping a pay-per-ride bonus, making the effective fare with the bonus $2.62;
- the 7-Day Unlimited Ride MetroCard will increase by a dollar to $32; the 30-day Unlimited Ride MetroCard will increase from $116.50 to $121;
- the majority of Long Island Rail Road and Metro-North Railroad riders will see weekly and monthly passes increases of 3.75% or less, with increases in monthly tickets capped at $15; intermediate monthly and weekly ticket increases are also capped at 3.75%; some one-way fares will have larger increases only because fares must occur in 25-cent increments; for these one-way fares, any increase greater than 6 percent would be not more than 50 cents per ride; West of Hudson customers will see a 2% increase in fares; City Ticket remains unchanged at $4.25; and
- tolls will rise less than 25 cents for cars crossing MTA Bridges and Tunnels facilities and using a New York Customer Service Center ("NYCSC") E-ZPass, an estimated 73% of total crossings; customers who pay with cash, Tolls by Mail or a non-NYCSC E-ZPass will see increases of 6.3% to 9.1%. This proposal is consistent with the MTA policy to increase the price differential between cash and E-ZPass to encourage E-ZPass use, which is the least expensive way to collect and pay tolls.

Complete schedules of new fares and tolls effective on March 19, 2017, are set forth on MTA's website at: http://web.mta.info/fares.

Draw on RBC Line of Credit to Retire Transportation Revenue Bond Anticipation Notes, Subseries 2016A-2.

On January 31, 2017, MTA made a $200 million draw on the $350 million Revolving Credit Agreement with Royal Bank of Canada ("RBC Agreement"), secured by the Taxable Transportation Revenue Anticipation Notes, Series 2014A (Working Capital Revolving Credit Facility), in order to retire the Transportation Revenue Bond Anticipation Notes, Subseries 2016A-2 upon their maturity on February 1, 2017. The RBC Agreement expires on July 7, 2017, and MTA currently expects to pay the amounts outstanding thereunder prior to maturity using proceeds from the sale of its Transportation Revenue Bonds.

Governance.

On January 30, 2017, Governor Cuomo announced that, effective February 1, 2017, Veronique Hakim, currently President of New York City Transit, will serve as interim Executive Director of MTA while a seven-person committee conducts a nationwide search for a permanent Chair and Chief Executive Officer. MTA Vice Chairman Fernando Ferrer will serve as Acting Chairman during the search for a permanent replacement.

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