



**Testimony of NY State Director Jasmine Gripper
On Behalf of New York Working Families Party**

**Submitted to NYS Senate Finance & Assembly Ways & Means Committee Chairs
For February 14th, 2024 Joint Legislative Hearing on the Revenue Budget**

Dear Senate Finance Chair Krueger, Assembly Ways & Means Chair Weinstein, and members of the New York State Legislature:

My name is Jasmine Gripper, and I am presenting this testimony on behalf of the New York Working Families Party, a grassroots political party made up of dozens of affiliate organizations as well as thousands of members across the state. Our work is centered around advancing policies that make New York a more just, equitable, and livable state for working class families. The FY2025 budget provides a critical opportunity to address the economic anxieties and affordability concerns of working families in our state by raising taxes on the wealthiest individuals and corporations and investing in the long-term stability and security of working New Yorkers.

For decades, New York State has underinvested in state programs and services, which has disproportionately hurt working-class communities of color. New York State has the greatest concentration of wealth in the country—and it also has the deepest economic inequality of any state. [According to a 2022 Institute on Taxation and Economic Policy report](#), New Yorkers worth over \$30 million (fewer than 0.4% of the population) collectively own \$6.7 trillion dollars in wealth. The top 1% of earners in New York make over 44 times the average income of the bottom 99%.

And while the millionaire class continues to grow, census data shows New York State is losing working and middle-class families as a result of growing unaffordability. According to a [December 2023 report](#), the people who left New York at the highest rate in 2022 were families making between \$32,000 and \$65,000 a year. A disproportionate number of those movers were Black and Latine families. While working-class people are saddled with rising costs for housing, healthcare, groceries, utilities and more, [New York's millionaire class grew by over 10,000 people.](#)

New York State has the opportunity to address affordability and inequality by taxing the wealthy and investing in the needs of working-class communities. The New York Working Families Party supports the [Invest in Our New York package](#) which, if passed, would raise tens of billions of dollars through a combination of personal income tax increases on the top 5% of earners, corporate tax reforms targeting the most profitable corporations (fewer than the top

1%), and addressing loopholes that allow millionaires and billionaires to shield their wealth from their tax liability.

The Invest in Our New York package includes the following proposals:

- The Progressive Income Tax Bill ([S2059-Jackson/A3115-Meeks](#)) would raise over \$21 billion annually by creating new brackets to the state's personal income tax. The bill would raise taxes on individuals earning over \$450,000 a year as single filers and \$500,000 as joint filers. This bill would only impact our state's top 5% of income earners.
- The Capital Gains Bill ([S2162-Rivera/A2576-Kim](#)) would raise over \$12 billion annually by creating a surcharge tax on income generated by buying and selling stocks. The tax would only apply to people who earn over \$400,000 as single filers and \$500,000 as joint filers. Currently, people who earn their income through the buying and selling of stocks have a federal tax benefit (of up to 17%) which means they pay far fewer taxes than people who earn their income through hourly wages or other ordinary income. This bill would only raise taxes on less than 1% of New Yorkers. In the last few years, both Washington State and Minnesota have passed capital gains taxes.
- Corporate Tax Reforms ([S1980-Hoylman/A3690-Kelles, Shrestha](#)) would raise over \$7 billion annually by raising the corporate tax rates on corporations that make over \$2.5 million in profits in New York and creating additional progressive brackets for corporations earning over \$10 million in profit annually, and \$20 million in profit annually. These Corporate Tax Reforms would apply to every corporation that does business in New York - not just those headquartered in the state. The changes in the bill would not kick in until corporate profits exceed \$2.5 million and not impact small businesses. Eighty percent of corporations in New York make less than \$15,000 in profits annually and pay less than \$1,000 in corporate taxes every year. As of 2020, fewer than 0.14% of corporations reached \$1 million in profits. We can raise taxes on the wealthiest corporations and remain competitive: New York currently has the 2nd lowest tax rate amongst the 12th northeastern states and our current corporate tax rates are lower than they were in 1990.
- The Heirs Tax ([S2782-Brisport/A3193-Solages](#)) would raise \$4 billion annually by replacing New York's existing estate tax by creating a tax that treats inherited income over \$250,000 as taxable income. The creation of this tax would impact less than 1% of inheritances - and those above \$250,000 would only be taxed at a low rate of 2.5%. The rate would increase for inheritances over \$1,000,000, which are almost entirely received by already wealthy individuals.
- The Billionaires Tax ([S1570-Ramos/A3252-Kelles](#)) would raise over \$20 billion in its first year and \$1.5 billion annually thereafter by creating a tax that targets the rising value of stocks and investment portfolios. This proposal creates a yearly tax on assets that have accumulated value, requiring billionaires to pay income tax rates on their investment gains. New York already has a system for assessing and taxing the increased value of items in the form of a property tax.

The Invest in Our NY package will generate billions of public dollars every year, ensuring lawmakers can budget long-term and make deep, sustainable investments in the needs of our communities. This includes investments in education, child care, clean energy, and affordable housing. **New Yorkers across the state are facing a historic housing crisis.** There are over a hundred thousand people who are homeless in our state, and millions more who are severely rent-burdened. In this budget we can invest toward housing for those who are currently homeless or at-risk of becoming homeless, ensuring tenants are able to stay in their homes, and building new housing through the creation of a Social Housing Development Authority.

There is broad and public support across the state for raising taxes on the wealthy to fund community priorities. [According to a December 2023 commissioned Siena College Research Institute \(SCRI\) poll](#), 74% of New Yorkers agree that lawmakers should increase taxes on the highest-earning individuals, highly profitable corporations, and the wealthiest New Yorkers in order to fund public programs and services like affordable housing, universal child care, and public transportation.

Finally, in order to tackle the economic inequality our state is facing, we must also transform the campaign finance system that advantages the interests of the wealthy few and special interests over the many. In addition to the Invest in Our NY package, the legislature must allocate \$114.5 million to the New York State Public Campaign Finance Program as included in the FY 2024-25 Executive Budget. This is an investment in the health of our democracy.

New York State has an opportunity to address the growing wealth gap and deep inequality that is hurting working and middle-class communities. The New York Working Families Party calls on the Senate and Assembly to put forward one-house budgets that include the Invest in Our NY package, which will raise revenue and make deep, sustainable investments in our communities.

Thank you for your time and consideration.