



NEW YORK STATE SENATOR

William Larkin

Senator Larkin Urges Democrats In Albany To Not Increase Utility Taxes And To Not Include A Commuter Tax In The State's Budget

[WILLIAM J. LARKIN JR.](#) March 26, 2009

Today, Senator Bill Larkin (R-C, Cornwall-on-Hudson) announced his opposition to Governor David Paterson's proposal to raise taxes on utilities and the possibility of a commuter tax being included in the state's budget.

In his 2009-2010 Executive Budget, Governor Paterson has proposed expanding the 18-a assessment (which funds the Public Service Commission (PSC)) to 1% and to impose an additional 1% tax on rate-payers of publically owned utilities not served by the New York and Long Island Power Authorities. It is anticipated that these increased taxes will raise \$727.1 million, an estimated \$75.6 million of which will be utilized to fund the PSC while the remaining \$651.6 million will be deposited into the state's General Fund. If implemented, utility bills are predicted to increase by 2%.

"The Governor's proposal to increase taxes on utilities will hurt consumers of electricity, natural gas, and telephone service, said Senator Larkin, "This is a time when we should be working for tax relief not creating new taxes and increasing old ones. The Governor's proposal is a desperate grab for funds, utterly egregious, and will only further add to the enormous tax burden New Yorkers are forced to bare."

With New York's April 1st budget deadline looming, New Yorkers have yet to see what Senate and Assembly Democrats will propose for the state's budget.

"Since New York's Democratic leadership have bypassed open, public conference committees and have continued to conduct secret, closed door budget negotiations, it is impossible at this time to say what the final budget will include," said Senator Larkin, "However, it has been rumored that Senate Democrats plan to reinstate the commuter tax on those hardworking New Yorkers who commute into the City for work. Before such an imprudent action is taken, I would like to express my unwavering opposition and strongly urge that this proposition not be included in the final budget."