



NEW YORK STATE SENATOR

Betty Little

Little Cosponsors 'Circuit Breaker' Property Tax Relief Bill

BETTY LITTLE May 12, 2009

State Senator Betty Little is cosponsoring legislation to create a "circuit breaker" tax credit program that would provide relief to homeowners whose rising property tax bills are outpacing their income.

"This would help homeowners who are paying a disproportionate share of their income toward their property taxes," said Little. "Similar to the way a circuit breaker in your home protects an electrical circuit from damage caused by an overload, this program would kick in to protect homeowners facing a property tax overload.

"Because the recently adopted budget eliminated the STAR rebate check program, the need to do this now is even greater."

The legislation, introduced by Senator Liz Krueger of Manhattan, is similar to a bill Little previously sponsored to address the issue of high property taxes. In the first year, homeowners earning \$100,000 or less whose property taxes exceed nine percent of their household gross income would receive an income tax credit of 70 percent of the amount they pay over the nine percent threshold.

To qualify for the real property tax credit, the taxpayer must have resided in their home for at least five years. The program would be phased in over four years, costing the state

nothing in the first year of implementation and growing to \$2.3 billion annually when fully enacted.

The legislation is endorsed by the Omnibus Consortium, a statewide coalition of property tax reform group.