



NEW YORK STATE SENATOR

Betty Little

Sen. Little Invites 'It's Your Money' Online Petition Support

BETTY LITTLE February 24, 2010

| ISSUE: **INCOME TAX**

Senate effort underway to prevent unfair withholding of state income tax refunds

State Senator Betty Little is inviting local residents to visit her web site and register their support for legislation that would prevent the implementation of an unfair plan to withhold state income tax refunds.

Governor David Paterson floated the proposal last week, citing low state revenue receipts. Little and her Senate Republican colleagues are taking steps to prevent the ill-conceived plan from moving forward.

"Taxpayers who overpaid their income tax deserve every cent back without delay," said Senator Betty Little. "Hundreds of thousands of people are depending on their refund to pay mortgages, rent, insurance premiums, prescriptions and many other personal expenses. The goal of our online petition is to quickly build statewide support for a plan that protects taxpayers."

To register support for the "It's Your Money" petition drive, visit Senator Little's website, <http://www.nysenate.gov/senator/elizabeth-little>. There is a link on the senator's home page to the online petition.

On Tuesday, the State Senate passed with unanimous support a nonbinding resolution opposing the governor's proposal. Little said passing legislation would be a stronger step.

Under the legislation (S.3985/A.5100), the state Department of Taxation and Finance would be required to pay a taxpayer's refund within 30 days after receiving the taxpayer's filing. If the department is unable to pay a tax refund because of a discrepancy in the taxpayer's return, it would be required to provide written notice to the taxpayer of the discrepancy and an expected timeframe for its resolution. If the department fails to provide a refund or written notice within 30 days, the taxpayer would be paid interest on the refund owed at a rate of six percent annually.

Under the new rules of the State Senate, any member can bypass the normal committee process and send a bill directly to the floor by securing the signatures of 38 members of the chamber. A petition-for-consideration on the income tax refund bill was signed by all 30 Republicans and is now being circulated to all members of the chamber. It will take 8 Democrats to bring the bill to the floor.

"Republicans and Democrats found something we could agree on with the resolution. We are hoping that at least eight of our colleagues on the other side of aisle will now join us in support of this legislation and help us pass it."