

NEW YORK STATE SENATOR

Catharine Young

Senator Young Pushing Governor to Release Tax Refund Checks on

Time

CATHARINE YOUNG February 24, 2010

ISSUE: TAXES

ALBANY – Saying the state has no right to hold onto personal income tax refunds, Senator Catharine Young (R,C,I – Olean) is sponsoring legislation to require the checks to be sent to taxpayers within 30 days of filing. She also has started an on-line petition to stop the Governor's proposal.

"The Governor should not make our hardworking, overburdened taxpayers the scapegoats for the state's problems that were exacerbated by his out-of-control spending last year. It's the taxpayers' money and they should receive their refunds in a timely fashion, especially in these hard economic times. People are counting on those refunds. Many are having a tough time even paying their bills," said Sen. Young.

Sen. Young's legislation comes after Gov. David Paterson's announcement last week that the state may freeze \$500 million in personal income tax refunds and \$200 million in business refunds as a way to fix the state's budget problems.

The proposed legislation would require the state Department of Taxation and Finance to pay a taxpayer's refund within 30 days of receiving a 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.

A petition-for-consideration on the tax refund legislation was signed by all 30 Republicans in the Senate and is now being circulated to all members of the chamber. Under new rules of the State Senate, if only eight more Democrats sign the petition, the bill would bypass the normal committee process and be sent directly to the floor for a full-vote by the Senate.

"There is no excuse for New York City-controlled legislators to ignore this issue. This is not the time to be issuing IOUs to our taxpayers. There are other ways to handle our state budget problems, but this is the people's money," she said.

"Right now we need to get people back to work, and that means taking actions to encourage economic growth, cut government waste, and permanently cap state spending. I strongly oppose the Governor's proposed tax hikes, too. More taxes would hurt our residents, tie the hands of small businesses even further and force our economy in the wrong direction," Sen. Young added.

Sen. Young has also started an online petition to give taxpayers an opportunity to urge Governor Paterson to release hundreds and millions of dollars in tax refunds on time. You can sign Sen. Young's petition on her Facebook page or by logging onto her website at: <u>www.young.nysenate.gov</u>. Those without internet access can register their opinion by calling toll-free at 1-800-707-0058.

"In this economy, every penny counts," said Sen. Young.