



NEW YORK STATE SENATOR

Darrel J. Aubertine

## Senate Majority Opposes Governor's Attempt to Delay Income Tax Refunds

DARREL J. AUBERTINE March 1, 2010

| ISSUE: **TAXES**

ALBANY (February 23, 2010)--If New Yorkers have to pay their taxes on time, the state should provide its refunds on time, Senate Majority Democrats told Governor Paterson today. Passing a resolution with broad bi-partisan support, the Senate formally opposed the Governor's scheme to delay more than \$500 million in refunds to individuals and \$200 in refunds to businesses.

Under the Governor's plan, the state's current cap on income-tax refunds paid out before March 31<sup>st</sup> would be lowered from \$1.75 billion to just \$1.25 billion, resulting in a nearly two-month delay for thousands of taxpayers awaiting lawful refunds. Additionally, taxpayers will not be paid interest on their funds until June 1 while businesses would be denied any interest until the second half of March.

Senator Darrel J. Aubertine (D-Cape Vincent), Chair of the Upstate Caucus and the Rural Resources Commission said, "The long and short of this is that it's simply not the state's money. It belongs to the people who have overpaid on their taxes and need this money to pay their bills, provide for their families and put it back into the economy. Crafting a budget and meeting the needs of our state in these tough economic times requires creative solutions not repetition of the mistakes made in other states or gimmicks that only put hard working individuals and families in a deeper hole."

Senator William T. Stachowski (D-C, Lake View) said, "Delaying the return of these funds to hardworking New Yorkers who have paid their fair share of taxes all year is asking too much. Taxpayers are struggling and in economic times like these, people use their income tax returns to pay rent, their heating bills, or put food on the table. I certainly oppose any proposal which would further burden those already finding it difficult to make ends meet."

Senator David J. Valesky (D-Oneida) said, "In these times of great economic difficulty, New Yorkers need their government to ease the pressure, not add to it. The Governor's proposal would only punish New Yorkers who pay their taxes on time and in full, and just want the return they deserve. There is a big difference between making tough decisions and bad decisions—this proposal is just plain wrong."

Senator Neil D. Breslin (D-Albany) said, “Withholding income tax returns as a way to close the gap in this year’s budget is simply wrong. Hardworking taxpayers rely on that money to meet financial obligations. If a taxpayer is facing financial difficulties they do not have the option of withholding taxes from the state and the Governor should not have the option of withholding income tax refunds from the people of New York.”

Senate Majority Conference Leader John L. Sampson said, “This is the taxpayers’ money, not the Governors. The Senate Majority is focused on comprehensive structural reforms to this year’s state budget which will control spending, create jobs, and end the decades of fiscal irresponsibility. Albany has to change the way it does business before New York goes out of business, and proposals such as this distract from the serious discussions about budget reform missing in the Governor’s proposal.”

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LEGISLATIVE RESOLUTION calling upon Governor David A. Paterson to immediately abandon his intention to delay the refunding of individual and business income tax overpayments and refund those tax overpayments with all deliberate speed

WHEREAS, Governor David A. Paterson announced, as recently as February 16, 2010, his intention to delay payment of approximately \$500 million in personal income tax refunds owed to New York State taxpayers; and

WHEREAS, The hard economic times in which hard-working individuals and families across the State presently find themselves make it critically important for the State to remit personal income tax refunds as expeditiously as possible, in order to meet the dire needs of taxpayers struggling to make necessary purchases and meet their financial obligations; and

WHEREAS, Governor Paterson has also announced his intention to delay payment of approximately \$200 million in business tax refunds; and

WHEREAS, Many small and large businesses depend upon the timely receipt of their tax refunds to support the ongoing economic and market- place activity driving their local and regional economies; and

WHEREAS, The residents, businesses and taxpayers generally in the State have already shared the sacrifices imposed upon them by recent cuts in vital programs; now, therefore, be it

RESOLVED, That this Legislative Body pause in its deliberations to call upon Governor David A. Paterson to immediately abandon his intention to delay the refunding of individual and business income tax overpayments and refund those tax overpayments with all deliberate speed; and be it further

RESOLVED, That a copy of this Resolution, suitably engrossed, be transmitted to The Honorable David A. Paterson, Governor of the State of New York.

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