



NEW YORK STATE SENATOR

Michael F. Nozzolio

Senator Nozzolio Announces Job Creation & Taxpayer Protection Act Enacted by State Senate

MICHAEL F. NOZZOLIO January 19, 2011

| ISSUE: **ECONOMIC DEVELOPMENT**

New York State Senator Mike Nozzolio today announced that the Senate has enacted legislation he fought for to restore New York's economy by encouraging private sector job creation and fiscal responsibility. The "Job Creation and Taxpayer Protection Act" is a three-part plan that includes a job creation tax credit, two percent state spending cap and a two-thirds "super majority" vote requirement to increase taxes.

"Creating jobs and putting a stop to out of control spending and taxes are not only priorities for me, but are critically important to the people of my District," said Senator Nozzolio. "Enacting this legislation is a tremendous first step forward in making the changes necessary to transform the direction of our State and to renew hope and prosperity for all New Yorkers."

Small and large job-producing businesses across New York have supported these reforms as the most effective way to create jobs, put people back to work, and promote economic growth.

Mike Elmendorf, New York State Director of the National Federation of Independent Business (NFIB) said: "Small business understands that in order to restore and grow our economy, New York's destructively oppressive tax burden and cost of doing business must be reduced. This package of common sense reforms is an important step in that direction." The Job Creation and Taxpayer Protection Act of 2011 includes the following measures:

INCENTIVES TO CREATE NEW JOBS:

The plan will provide businesses with a three-year tax credit of up to \$5,000 for every NEW job created, with an additional \$3,000 per job if the new employee is taken off of unemployment. In addition, it places a moratorium on any new business taxes, fees or regulations and eliminates the corporate franchise tax for hundreds of small businesses and manufacturers throughout Upstate New York.

“New York must take the steps necessary to bring jobs back and encourage businesses to stay, grow, and prosper right here in our local communities, region and state. Providing tax incentives for private-sector businesses, and especially small businesses, will help create the jobs necessary for New York's economic recovery,” said Senator Nozzolio.

STATE SPENDING CAP:

The legislation will cap the growth of state spending at 2 percent and increases the allowable reserve of the rainy day fund.

“Out-of-control spending and taxes over the past two years have worsened the state's fiscal crisis and hampered our economic recovery. A state spending cap that prevents spending increases will restore fiscal accountability and force Albany to live under the same budget constraints as families and businesses,” said Senator Nozzolio.

SUPERMAJORITY VOTE TO RAISE TAXES:

In the last two years, the New York City legislators who controlled Albany raised taxes by \$14 billion. In the Senate, these tax hikes were enacted by only one vote. This legislation will require a two-thirds “super majority” vote in each house, rather than a simple majority. This will make it much more difficult to raise taxes.

“It's time to get New York open for business once again,” said Senator Nozzolio. “By cutting spending, reducing taxes and focusing on ways to allow our businesses to grow, the Job Creation and Taxpayer Protection Act is the beginning of New York’s return to its rightful status as the Empire State and a place where people will want to live, work and raise a family.”

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