



NEW YORK STATE SENATOR

Betty Little

Little votes for jobs plan, spending and taxing controls

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LITTLE VOTES FOR JOBS PLAN, SPENDING AND TAXING CONTROLS

State Senator Betty Little today voted in favor of legislation that would create a tax credit to spur job growth, cap state spending and make it more difficult for the Legislature to raise taxes in the future. The three-pronged Job Creation and Taxpayer Protection Act of 2011 has been endorsed by business groups across the state, including the North Country Chamber of Commerce.

“Our package of bills reflects what I and many others hear daily,” said Little. “Folks are tired of Albany’s excessive spending and the high taxes that follow, and they want to see something done to promote job growth. The most important thing we can do today is make New York more competitive economically by making job creation easier.”

The Senate Republican plan would provide businesses with a three-year tax credit of up to \$5,000 for each new job created. If enacted, the plan also would eliminate taxes for small businesses and manufacturers that pay the state’s corporate franchise tax and roll back an income tax surcharge approved in 2009. Twenty-four states have adopted similar tax credits as did the federal government last year.

Under the Senate plan, if a business creates a new job with a salary of \$35,000, for example, it would receive a \$1,487 tax credit. If the business hires someone off unemployment, it would receive an additional \$3,000 credit. Because it applies only to new jobs and employees that don’t currently provide New York with any payroll revenue, the legislation is in effect revenue neutral.

The proposed spending cap would be set at 2 percent or 120 percent of the CPI (currently 1.9 percent), whichever is lower. If tax revenue collections exceed the cap, fifty percent of the revenue would be placed in a reserve fund and fifty percent would be returned to taxpayers in the form of direct tax rebates. The constitutional spending cap proposal would give the Executive the authority to exceed the cap in the event of a fiscal emergency or other extraordinary circumstances with the approval of the State Comptroller.

“We all look forward to the return of a robust economy and the revenue growth that comes from increased economic activity, not increased taxes,” said Little. “When that happens, a spending cap will serve all of New York well by placing a reasonable restraint on the Legislature.”

In addition to a control on spending, the Senate Republicans also are advocating a constitutional amendment to make it more difficult to raise taxes by requiring a two-thirds “super majority” vote in each house, rather than a simple majority.

Garry Douglas, North Country Chamber of Commerce in Plattsburgh said: "These two constitutional amendments would be two home runs for New York's future. They would help to put a constitutional end to Albany's destructive addiction to runaway spending and taxing. And while we need to do many other tough things in the near term, we also need to take steps like these to impose lasting changes so bad habits can't return. The Job Creation and Retention Package is also a welcome proposal. Small business owners in the North Country and across the state are waiting for signs that Albany is going to start making it easier instead of harder to save and add jobs. This combination of job creation tax credits, small business relief, and an end to runaway regulations by state bureaucrats would be a powerful new message that could actually encourage rather than discourage those enterprises which form the heart and soul of our state's economic future."