



NEW YORK STATE SENATOR

James S. Alesi

Senator Alesi Supports Historic Property Tax Cap Legislation

JAMES S. ALESİ June 30, 2011

| ISSUE: **ECONOMIC DEVELOPMENT**

Today Governor Andrew M. Cuomo signed into New York State law the property tax cap bill originally co-sponsored by Senator Jim Alesi. The new law (formerly Senate Bill S.5856) will cap school and local government taxes to less than a two percent increase or two percent of the Consumer Price Index (CPI), whichever is lower. Mandate relief is also included, with \$127 million in savings to local governments, in addition to the creation of a Mandate Relief Council to identify and repeal unsound, unduly burdensome laws and regulations.

Polls have indicated that passing a property tax cap was the top issue for New York voters. New York is among the highest-taxed states in the country and Senate Republicans have been pushing for a property tax cap since 2008. The median property tax in the U.S. is \$1,917 while New York's median property tax is \$3,755 - 96 percent higher than the national average. Companies pay five times more in property taxes than they do in corporate taxes. As a result, New York - and especially upstate - has experienced more and more families and businesses being forced out of the state due to high property taxes. Municipalities have long complained that unfunded state and federal mandates have contributed to rising property taxes, a fact that this legislation works to resolve from the state level.

"A property tax cap, as I've said many times before, was among my highest priorities for this past legislative session. The high cost of living, from food to gasoline to property taxes, has taken its toll on hardworking, overburdened taxpayers," said Senator Alesi. "All New Yorkers, from young families to retired seniors, business owners to laborers, must have faith that we hear their concerns about cutting taxes and reducing government spending. This property tax cap represents the long-overdue relief taxpayers and businesses in New York have been looking for.

"Likewise," Senator Alesi continued, "the mandate relief included in this law, along with the new Mandate Relief Council, will ease the financial burdens placed on municipalities and will continually work to streamline government operations across the state."

"Following an on-time budget that closed the deficit without tax increases or borrowing, this legislation will help keep New York on the path to economic recovery." Senator Alesi concluded, "I will continue to work to make the government function again for the benefit of the taxpayer."

The law will go into effect for the 2012-2013 fiscal year.