



NEW YORK STATE SENATOR

Catharine Young

## New York Senate Passes “New Jobs-NY” Job Creation Plan

CATHARINE YOUNG May 31, 2012

**Controlling Spending – Cutting Taxes – Helping Businesses Grow**

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## **THE 2012 NEW JOBS-NY JOB CREATION PLAN**

ALBANY – Senator Catharine Young (R,C,I – 57th District) announced the state Senate passed a major jobs plan she co-sponsors that would create thousands of private sector jobs throughout the state.

“The 2012 NEW JOBS-NY Job Creation Plan would generate thousands of new private sector jobs by delivering tax relief to small businesses, reducing energy costs, and enacting important fiscal reforms so we can help put more New Yorkers to work and make one state’s economy more competitive,” Senator Young said.

Highlights of the plan include:

- **Eliminating Taxes on New York Manufacturers:** The plan would spur creation of thousands of manufacturing jobs by eliminating income taxes paid by manufacturers over a three year period (\$495 million in tax relief).
- **20 Percent Corporate Tax Cut for Small Businesses:** This cut in the corporate tax rate will save nearly 200,000 small businesses \$49 million.
- **10 Percent Personal Income Tax Credit for Small Businesses:** This tax cut would save 800,000 small businesses \$80 million.
- **Significant Energy Tax Cut:** The legislation accelerates the phase-out of the 500 percent energy tax hike Senate Democrats previously approved in 2009.
- **New Incentives for Each New Job Created:** The bill includes new job creating incentives that would give businesses a tax credit of up to \$5,000 for each new job they create; up to an \$8,000 credit if the new job goes to someone on unemployment; up to a \$10,000 credit if a business hires a returning military veteran.
- **Help for New York's Small Brewers:** The plan includes a new Production Credit and Label Registration Credit for New York's vibrant craft brewing industry.
- **A new "angel investor" tax credit to encourage investments in start-up businesses.**

The overall NEW JOBS- NY job creation plan includes fiscal reforms to improve New York's business climate. The plan includes a state spending cap; a super-majority vote provision to

make any future tax increases more difficult; and new regulatory reforms to reduce red tape for businesses.

“Job creation has always been a top priority, and the reduction and elimination of business taxes will help create private sector jobs and generate revenue, energize our economy and improve the quality of life for New Yorkers,” Senator Young said.

The Senate included two incentives to encourage businesses to begin expanding their workforce. “Hire-Now-NY” and “Hire-a-Vet” offer tax credits to businesses that create new jobs or hire a veteran returning home from the military.

These incentives will afford a tax credit of \$5,000 for each new job created, an \$8,000 credit if a business hires someone on unemployment, or a credit up to \$10,000 to a business hiring a veteran returning home from military service.

“This legislation provides relief to employers while generating jobs for veterans who are returning home without jobs. The enhanced credit for military service men and women is the least we can do to recognize and support the individuals who put their lives on the line for our country,” Senator Young said.

The Senate Republican’s NEW JOBS-NY plan is supported by business organizations across the state, including the Business Council of New York, Unshackle Upstate, the Manufacturers Association of Central New York (MACNY), the National Federation of Independent Businesses, the Long Island Association and the Long Island Business Council.

Heather Briccetti, President and CEO of The Business Council of New York State, Inc. said,

"We applaud the Senate Majority's continued focus on reducing the cost of doing business, lowering the state's business burden on business, and reducing the cost of creating jobs. This package focuses on key sectors and emerging industries, and will promote new private sector investments and critically needed new jobs."

Mike Durant, State Director of the National Federation of Independent Business, added, "The past few weeks have seen continuous discussion in the other house on issues that not only harm small business, but hurt those that seek meaningful employment. This legislation is aimed at real problems and reaffirms the Senate Majority's commitment to revitalizing our economy and helping spur new and innovative economic development opportunities. Simply, this is another step in the right direction for New York."

Brian Sampson, Executive Director of Unshackle Upstate, said: "Unshackle Upstate supports the '2012 New Jobs-NY Job Creation Plan.' Our organization has consistently called for much-needed tax cuts for the businesses and taxpayers across Upstate and we are particularly pleased with the Senate's commitment to reducing taxes on our manufacturers and eliminating the onerous, hidden 18a energy surcharge a year earlier than expected. After weeks and months of endless talk about raising the cost of business in New York, we now call on the Assembly to introduce and pass this bill to help boost private sector job growth, get our economy back on track, and demonstrate to the world that we are truly serious about changing the reputation of the state."

"This Job Creation Plan will build on the achievements of last year when we partnered with Governor Cuomo to revitalize the economy and create jobs. We will continue to work through this plan to further cut taxes, provide tax credits, and eliminate job-killing regulations," Senator Young said.

Over the past year and a half, the Senate Majority has successfully taken a number of key steps to improve New York's business climate to help create jobs:

- > Passing two consecutive on-time state budgets;
- > Closing approximately \$13 billion budget deficits -- without raising taxes or fees in the budget;
- > Reducing state spending for two consecutive years;
- > Cutting taxes on small businesses;
- > Enacting a landmark property tax cap;
- > Approving the UB2020/SUNY 2020 economic development plan;
- > Repealing the MTA payroll tax for 80 percent of the business that paid it;
- > Enacting the Recharge-NY power-for-jobs plan and the Power-NY (Article X) power plant siting law;
- > Cutting taxes for middle class families and reducing tax rates to the lowest level in more than half a century; and
- > Helping to launch the NY-Works initiative to revitalize New York's infrastructure.

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