



NEW YORK STATE SENATOR

Catharine Young

Senate Passes Final Budget Bills

CATHARINE YOUNG March 27, 2013

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Budget delivers substantial tax relief to families, small businesses and manufacturers

ALBANY - Senator Catharine Young (R,C,I-Olean) announced the Senate has passed a soundly balanced, fiscally responsible state budget that controls spending and provides significant tax relief to families and seniors, and reduces the tax burden on small businesses and manufacturers to help create jobs.

The Assembly plans on passing matching budget bills on Thursday.

"For the third consecutive year, the budget will be passed on time, and it includes many initiatives that are steps in the right direction to make our state a more affordable place to live, work and do business," Senator Young said.

"The budget extends the middle-class personal income tax rate reductions enacted in 2011, which were due to expire. This tax cut provides 4.4 million taxpayers with \$707 million in tax relief per year, and will ensure that New York's middle-class income tax rates remain at the lowest level in 60 years," she said.

"Hardworking middle-class families with children who are struggling to make ends meet will receive a \$350 child tax credit that will be take the form of a check sent to their homes next

year. In addition, the Earned Income Tax Credit for low and moderate income workers who make less than \$40,000 annually will be funded at \$940 million. This tax relief is important because it reduces these workers' state personal income tax burden, supplements wages, and provides a genuine incentive for working," Senator Young said.

"We also are investing record funding in the STAR property tax relief at \$3.4 billion, which is a \$143 million increase over last year. When you couple STAR with the landmark two percent property tax cap, it shows great progress towards putting the brakes on runaway property taxes. At the same time, this budget will help hold down property taxes by increasing school aid by nearly \$1 billion, allocating \$438 million more to local governments to fund key road and bridge projects, accelerating federal Medicaid payments to county governments, and providing new pension reforms to give local governments and school districts more flexibility," Senator Young said.

"The Senate's initiatives to help small businesses grow more jobs made it in the final budget. Thousands of small businesses will benefit from a tax reduction, and workers' compensation and unemployment insurance reforms. We also successfully pushed to eliminate the 18-a tax on utility bills over the next three years to reduce costs for employers and consumers," Senator Young said.

"Because the minimum wage was increased to give a little more to our lowest-paid workers, Senate Republicans insisted on a number of safeguards to protect businesses from potential costs associated with the wage increase. These include a refundable credit for employers with workers under 20 years old, and three-year phase-in to give businesses more time to adjust," Senator Young said.

"We also prioritized boosting manufacturing to maintain and create jobs. Today, New York manufacturers face major challenges, and fierce competition both nationally and globally.

We want to help our manufacturers meet these challenges, while attracting new employers to our state. The budget cuts the corporate tax rate on manufacturers, helping them reduce costs and compete more effectively," she said.

"We also provided strong support for workforce training and community colleges to ensure that employers have a highly skilled workforce, and our families and young New Yorkers have access to the education and training they need to secure good, high-paying jobs. We want our young people to have career opportunities so they can stay after they graduate," Senator Young said.

"The Senate's tax credit for businesses that hire veterans returning home from military service also is in the budget. Our heroic service men and women who give so much to protect our freedom should be welcomed home with the promise of a job and economic opportunity," she said.

"The budget also delivers for our farmers. Our family farms are the backbone of our upstate economy, and there are several initiatives to strengthen agriculture, including investments to expand marketing New York products such as maple, apple and berries; increase dairy profit teams; support more research and education; and launch the Market NY initiative to bolster tourism and better market our foods, wines, craft beers, fruits and produce," she said.