



NEW YORK STATE SENATOR

Betty Little

## Senate Republican report points to need for simpler tax code, reductions to spur growth

BETTY LITTLE November 20, 2013

| ISSUE: **BUDGET**



In advance of the 2014 Legislative Session set to begin in January, State Senator Betty Little and her Republican colleagues today announced a report outlining numerous proposals to simplify New York's tax code and reduce taxes.

The report was developed based on testimony collected through a series of statewide hearings this fall.

“Helping small businesses by simplifying the tax code and providing broad-based tax relief is what’s needed to spur our economy in the North Country,” said Senator Betty Little. “Everyone agrees that our economy needs help. The most effective way to do that is by helping those that generate revenue and create jobs.”

Highlights of the recommendations made in the preliminary Senate report include, among other things: enact a permanent two-percent cap on state spending growth and dedicate every dollar of surplus savings to tax reduction; create an optional simple personal income tax calculation; eliminate the Corporate Alternative Minimum Tax (AMT); and reduce property taxes.

The plan also proposes to eliminate unfair tax treatment by making all retirement income tax-free, thus encouraging seniors to remain in New York. Currently only Federal, State, and local pension income is completely tax-free. The Senate Republican proposal would amend New York’s Estate Tax by conforming it with the Federal Job Creation Act and the American Taxpayer Relief Act to protect family farms and small businesses and eliminate the incentive to transfer wealth from New York to other states.

The report also highlights the need to review New York’s current, piecemeal-style approach to tax relief – which involves providing tax credits to specific industries – in favor of a simplified system that produces a lower tax structure for all businesses.

Senator Little has proposed her own "circuit-breaker" tax relief proposal to direct property tax relief to those based on income and financial need.