



NEW YORK STATE SENATOR

John J. Flanagan

## TAX RELIEF NOW!

JOHN J. FLANAGAN March 12, 2019

| ISSUE: **TAX RELIEF, JOB CREATION**



Senate Republican Leader John J. Flanagan and members of the Senate Republican Conference today highlighted the potential negative consequences of the high-tax agenda being advanced by Governor Cuomo and Senate Democrats as part of negotiations over the new state budget, and also called for the inclusion of real and meaningful tax relief to help reverse New York's growing affordability crisis.

“The last time Senate Democrats were in the Majority, they increased taxes 124 times, totaling \$14 billion. For the sake of our taxpayers, I hope and pray that history won’t repeat itself. Instead, it seems like our colleagues across the aisle can never fail in coming up with new ways to tax more and more – all while our overburdened residents continue to flee New York in record numbers because we already rank among the worst in the nation in terms of affordability. I proudly stand with my Senate Republican colleagues today to remind the Governor and Legislative Democrats that it’s not too late to do the right thing. Instead of passing a budget that raises taxes on hardworking, middle-class taxpayers, we should be promising them the real, meaningful tax relief they deserve,” said Senate Republican Leader John J. Flanagan.

“Outmigration is a real problem in New York State, and the only way to stop it is to end the fascination with new taxes and higher spending. I am hearing from a growing number of people who are on the verge of being forced from their homes, farmers forced to sell their herds, and small business owners who are closing their doors because they simply can’t afford New York’s out-of-control taxes. As we enter the final weeks of budget negotiations, we need to forget the gimmicks and delete all new taxes from the conversation. Affordability, tax relief, and measures that will encourage job growth must be priorities,” said Senate Finance Committee Ranking Republican Senator James L. Seward.

“I used to think ‘Escape from New York’ was just a movie – but with a million New Yorkers leaving the state in the last ten years, it appears that fiction has become reality. The cause of this exodus is clear. Whatever the purpose, New Yorkers simply can’t afford another penny in taxes,” said Senator Rich Funke.

“New York’s population is bleeding out. Our families, our business owners, and our workers are bleeding out of our state in search of better opportunities, into the welcoming arms of

states like Florida, Texas, Arizona, North Carolina and Georgia, because they can't afford to live here. We must stop the bleed, and it starts with affordability. It starts with putting taxpayers first. Our colleagues on the other side of the aisle would rather focus on making plastic bags illegal, giving drivers' licenses to illegal immigrants, and forcing taxpayers to foot the bill for political campaigns. The Senate Republican Conference is the only conference focused on cutting taxes and making New York more affordable. We can't tax our way into a better business climate. We need to make it easier, not harder for those gutting it out on Main Street, NY to survive. That's where my focus is, that's where our conference's focus is, and that's where the focus of the Governor, the New Senate Majority, and the Assembly should be," said Senator Fred Akshar.

A recent study by the Tax Foundation found that New York holds the unfortunate position of number one in the nation in combined state and local income tax burden. The non-partisan think tank also concluded that New York ranks 48 out of 50 when it comes to overall business tax climate, a distinction only worsted by California and New Jersey.

In 2009-10, New York was controlled by one-party government. During that time, Senate Democrats raised taxes 124 different times, totaling \$14 billion, including enactment of the job-killing MTA payroll tax and elimination of the STAR rebate checks for seniors and homeowners. Senate Democrats and their Democrat colleagues in the Assembly and Executive Branch have recently proposed a plethora of new taxes and tax increases, such as:

- A new tax on internet purchases, which would force consumers who value convenience to pay even more in taxes;
- Revival of a regressive tax on the sale of prescription drugs, a measure recently deemed unconstitutional by a federal judge, as it would've hurt medically-ill consumers first and foremost;

- A tax on legalized recreational marijuana, which may or may not pass final muster in the state budget, but has been debated by Albany politicians without any consideration for public health;
- Taxpayer-funded political campaigns, a handout that has been called “welfare for politicians,” and will force hardworking New Yorkers to spend up to \$200 million on the campaigns of Albany politicians; and
- “Congestion Pricing,” or a new, unfair scheme that would target suburban New Yorkers already weighed down by the crushing burden of high income taxes, high property taxes, and a high cost of living.

Since 2011, Senate Republicans cut taxes 88 times and delivered \$12 billion in new tax relief. Last year alone, Senate Republicans rejected \$20 billion in new taxes proposed by the Governor and Assembly Democrats.

Senate Republicans are opposed to any and all tax proposals that take aim at the middle-class, and strongly believe that the budget deficit can and should be eliminated without raising taxes.

A better path to increase affordability for all New Yorkers would include:

- Protection of the historic Middle Class Income Tax Cut, a measure that has already saved New Yorkers \$770 million, and is one of the largest and most important tax cuts in state history;
- A permanent property tax cap, currently a temporary policy that has helped save taxpayers \$37 billion since its inception, but has little support in the Democrat-dominated State Assembly;
- Full funding and an extension of the successful Property Tax Relief Check program, a

Senate Republican-won measure passed to ensure that middle-class families get to keep more of their hard-earned money. Following approval of this year's budget, the average check size taxpayers will receive totals \$532, money that will go away if Democrats let the program lapse; and

- Implementing significant business and energy tax cuts and regulatory reforms so that there are fewer obstacles to creating new jobs in New York.