



NEW YORK STATE SENATOR

John J. Flanagan

Flanagan: Landmark Middle Class Income Tax Cuts To Take Effect On January 1

JOHN J. FLANAGAN November 20, 2017

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New York State Senate Majority Leader John J. Flanagan today announced that the state's landmark middle class tax cuts will take effect on January 1. Authored by the Senate GOP, this tax relief program will save taxpayers billions of dollars of their hard-earned money and help tens of thousands of small businesses grow, thrive, and create new jobs.

One of the largest tax cuts in state history, this Senate Republican-driven cut will reduce middle class tax rates by 20 percent and ultimately provide \$4.2 billion in annual savings for individuals and small businesses.

“New York’s taxpayers need and deserve real tax relief and the Senate Republicans are not only listening, but delivering,” Senator Flanagan said. “We have led the way on controlling state spending, capping local property taxes, and soon, millions of middle class taxpayers will get to keep more of their income to invest and spend as they see fit. This tax savings will continue to be key to creating better opportunities for middle class New Yorkers and ensuring our state is more affordable for both businesses and families.”

Senator Catharine Young, Chairwoman of the Senate Finance Committee, said, “This historic tax relief will allow middle class families to achieve a better quality of life because they will keep more from their paychecks. Hardworking taxpayers will be able to afford to buy more goods and services, which in turn will grow more jobs and economic prosperity. Senate Republicans are fighting hard for taxpayers and leading the way so that every New Yorker has the opportunity to succeed.”

The tax cut plan reduces personal income tax rates for more than 4.4 million New Yorkers and tens of thousands of small businesses in the first year alone. For middle class taxpayers, savings will average approximately \$250 in 2018 and grow to \$700 annually. The cuts will save a total of \$6.6 billion in just the first four years.

State income tax rates will become the lowest since 1948, with the rate decreasing from 6.85 to 5.5 percent when fully phased in, representing a 20 percent tax reduction and \$4.2 billion in annual savings for 6 million middle class taxpayers.