



NEW YORK STATE SENATOR

Thomas F. O'Mara

Senate approves legislation long supported by O'Mara to make property tax cap permanent: O'Mara calls on legislative leaders, Governor Cuomo to get behind mandate relief, permanent spending cap

THOMAS F. O'MARA January 23, 2019

| ISSUE: **PROPERTY TAX RELIEF**



O'Mara again urged Governor Andrew Cuomo to begin living up to the promise he originally made in 2011 that the enactment of the property tax cap would go hand in hand with providing municipalities and school districts with broad-based, meaningful relief from unfunded state mandates.

Albany, N.Y., January 23—The State Senate has approved legislation (S1904), long co-sponsored by Senator Tom O'Mara (R,C,I-Big Flats), to make permanent the current two-percent cap on the annual growth in local property tax levies.

At the same time he voted in favor of a permanent property tax cap, however, O'Mara also called for the enactment of a permanent cap on state government spending and an aggressive effort to remove the burden of unfunded state mandates on local governments and property taxpayers. O'Mara said that without these additional actions, the property tax cap would never achieve its intended goal of cutting local property taxes, not just holding the line on annual growth.

“Make no mistake, the property tax cap has been successful and provided local property taxpayers with billions of dollars in savings over the past several years. It should be made permanent,” said O'Mara, noting estimates showing that the cap has provided savings of more than \$23 billion since 2012. Add to this the fact that the state's self-imposed, two-percent spending cap since 2011 has produced an additional \$41 billion in taxpayer savings. “But without a permanent cap on state government spending and a top-to-bottom effort to eliminate unfunded state mandates, the property tax cap will never achieve long-term tax cuts for our local property taxpayers.”

O'Mara again urged Governor Andrew Cuomo to begin living up to the promise he originally made in 2011 that the enactment of the property tax cap would go hand in hand with providing municipalities and school districts with broad-based, meaningful relief from unfunded state mandates. O'Mara and his Senate Republicans colleagues have acted in the past to roll back existing unfunded mandates on local governments and school districts, as well as to amend the State Constitution to ban any future unfunded mandates. The governor or the state Assembly's Democratic leadership never supported similar actions.

The tax cap limits the annual growth of property taxes levied by local governments and school districts to two percent or the rate of inflation, whichever is less. By remaining within the cap, taxpayers statewide – outside of New York City – have saved upwards of \$15 billion over the last five years and will save nearly \$70 billion cumulatively over the first decade of its implementation.

O'Mara said, "Between the cap on property tax growth and the self-imposed restraint on state government spending, we're making progress to provide significant taxpayer relief. Still, I've been outspoken about the fact that Governor Cuomo has not lived up to his original promise to lift the existing burden of unfunded state mandates on local governments, local school districts, and local property taxpayers. Mandate relief must happen in order for the tax cap to have any chance to achieve its ultimate goal, which is to ensure a future of property tax cuts, not just a slower rate of property tax growth."

O'Mara stressed that while there have been some important mandate relief actions since 2011, including long-term pension reform and the takeover of the growth in local Medicaid costs, it has not been enough to ensure a future of long-term property tax reductions for taxpayers.