



NEW YORK STATE SENATOR

Thomas F. O'Mara

Senator O'Mara's weekly column 'From the Capitol' -- for the week of December 16, 2024 -- 'Taxpayers deserve better than 'Inflation Refund' giveaway'

THOMAS F. O'MARA December 16, 2024

| ISSUE: **TAX RELIEF; MANDATE RELIEF; REGULATORY REFORM**



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This week, **"Taxpayers deserve better than 'Inflation Refund' giveaway"**

The new year in New York State government is already off to an enormously expensive start.

What a surprise.

Early last week, with great fanfare, Governor Kathy Hochul rolled out a plan to deliver a one-time "Inflation Refund" check of up to \$500 to an estimated 80 percent of New York's taxpayers -- at a total cost to the state of at least \$3 billion.

"My agenda for the coming year," the governor proclaimed in a round of news conferences and staged events, "will be laser-focused on putting money back in your pockets, and that starts with proposing Inflation Refund checks of up to \$500 to help millions of hard-working New Yorkers. It's simple: the cost of living is still too damn high, and New Yorkers deserve a break."

She's right about New Yorkers deserving a break. In a state recognized as one of the least affordable places to live in America, New York's taxpayers and families deserve a break from high taxes, out of control government spending, relentless state mandates, and unending government handouts and other costly gimmicks like this one.

How about the state taking less money out of your pocket to begin with? New Yorkers need recurring relief from the high taxes and fees levied upon them by the state. We need less government and less regulation, not another one-shot gimmick.

In an editorial, the Wall Street Journal summed it up this way: "New York Gov. Kathy Hochul recently announced a new congestion tax on drivers entering the Manhattan business district. Now she wants to send checks to lower and middle-income New Yorkers. Call it the Albany way: Raise taxes, then redistribute the money to buy votes."

In other words, Governor Hochul's latest move to try to turn this state in a better direction gets her a "Bronx cheer" at best, full of all the sarcasm and cynicism this hackneyed politics deserves.

No New York taxpayer's going to send it back, but rest assured it's going to be received knowing full well its bottom line and I guess it will remain to be seen if it earns any lasting feelings of goodwill

toward high-taxing, big-spending New York -- a state that can already boast of hundreds of thousands of former residents who now make up the largest population loss in the nation.

Governor Hochul's Inflation Refund calls for a \$500 state government handout to families making less than \$300,000 and a \$300 payment for individual taxpayers earning \$150,000 or less.

First, any household bringing home \$300,000 or any worker making \$150,000 doesn't need a state government handout.

But for those lower-income earners who could truly use a break from everything New York State throws at them, if this governor and her team of advisers think \$500 could even begin to ease this state's affordability crisis, they're even more out of touch than most New Yorkers already think they are. The latest statewide poll from the Siena Research Institute, also released early last week, found that more than 70 percent of respondents said that their top concern is the affordability of living and housing in the state.

In today's economic reality, \$500 won't get any family very far for very long.

In New York State at this moment in time, throwing around billions of dollars' worth of "Inflation Refund" checks is a politics of the past that should have worn out its welcome, that taxpayers aren't buying anymore, and that residents (those who keep trying to stick it out here at least) won't be fooled by any longer.

This state needs to focus on fundamental priorities that have been neglected almost to the point of no return.

Address one of highest state and local tax burdens in the nation.

Address true and meaningful mandate relief, particularly in the arena of Medicaid, for local governments, school districts, and property taxpayers.

Address out-of-control state spending.

Address and pay off the state's \$700 million unemployment debt incurred during state-required COVID shutdowns and currently being squeezed out of struggling small businesses.

Address a migrant crisis that has already gobbled up billions of state and local taxpayer dollars, with no end in sight.

Address a current lineup of energy mandates that any straightforward cost-benefit analysis will show will only serve to make New York State more unaffordable than ever before.

In short, there's a long, extensive list of priorities to address that, if done right and we get started on them now, could begin to provide real and meaningful short- and long-term relief to overburdened New Yorkers.

A one-time, here-today-gone-tomorrow, so-called "Inflation Refund" isn't on that list.

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