



NEW YORK STATE SENATOR

Christopher J. Ryan

Senator Ryan: New York State FY26 Enacted Budget Puts Money Back in New Yorkers' Pockets and Tackles Rising Costs

CHRISTOPHER J. RYAN May 14, 2025

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New York State Senator Christopher J. Ryan is highlighting today that the FY26 Enacted State Budget delivers direct and meaningful financial relief for working- and middle-class families across the state. The budget includes a major expansion of the Empire State Child Tax Credit, one-time inflation relief checks, permanent middle-class tax cuts, critical investments to lower utility costs and support a clean energy transition, and childcare and afterschool program investments.

"This budget is about delivering for everyday New Yorkers," said Sen. Ryan. "We're putting money back in people's pockets, cutting taxes for the middle class, providing relief from inflation, and investing in long-term solutions to lower bills. It's a win for working families and a step forward for equity and affordability."

Highlights from the FY26 Enacted State Budget

Bigger Child Tax Credit for Families

The budget enhances the Empire State Child Tax Credit, providing direct support to parents and helping lift children out of poverty:

- In Tax Year 2025:
 - Up to \$1,000 per child under age 4
 - \$330 per child between ages 4 and 16
- In Tax Years 2026 and 2027:
 - \$1,000 per child under 4
 - \$500 per child between 4 and 16

One-Time Inflation Relief Checks

To help with rising prices and everyday expenses, New Yorkers will receive unrestricted inflation rebate checks of up to \$400:

- \$400 for joint filers earning up to \$150,000
- \$300 for joint filers earning \$150,000–\$300,000
- \$200 for single filers earning up to \$75,000
- \$150 for single filers earning \$75,000–\$150,000

Historic Middle-Class Tax Cuts

The budget continues historic personal income tax cuts for middle-income New Yorkers:

- 0.1% rate reduction in 2026 for the five lowest income brackets
- Another 0.1% reduction in 2027, bringing middle-class tax rates to their lowest levels in 70 years
- High-income surcharge on millionaires extended through 2032, ensuring the wealthiest continue to pay their fair share

Fighting Rising Utility Costs & Advancing Energy Affordability

Sen. Ryan and the Senate Majority have led efforts to hold utility companies accountable and expand programs that keep energy costs low:

- \$625 million in total funding for HEAP, including \$25 million in new funds to help low-income households pay heating bills
- Continued funding for EmPower Plus and the Homeowner Energy Affordability Program
- Increased support for the Public Utility Law Project (PULP) to help customers fight unfair rate hikes
- New investment in the Green Pre-Electrification Program, helping low-income housing become renewable-energy ready

Major Investments in Child Care and Afterschool Programs

To ease the burden of rising child care costs and increase access across New York, the FY26 Enacted Budget delivers over \$5.6 billion in total funding for child care and afterschool services—ensuring thousands of working families can access affordable, reliable care:

- \$400 million increase in Child Care Subsidies, bringing the total to \$2.19 billion

- \$110 million in capital funding to build or renovate child care centers in designated child care deserts
- \$5 million for a Facilitated Enrollment Pilot Program for episodic workers and undocumented individuals earning up to 400% of the Federal Poverty Level (FPL)
- \$1.25 million for a similar pilot program serving individuals earning up to 85% of the State Median Income (SMI)
- \$3 million to develop a Child Care Worker Substitute Pool to support providers serving families receiving child care assistance
- \$2.5 million increase for Afterschool Learning, Enrichment, and Academic Programs (LEAPs), bringing total afterschool investment to \$112.2 million

Sen. Ryan said, “New Yorkers are feeling the pressure of rising costs, and every extra dollar makes a difference. That’s why I fought for a budget that delivers real relief to working families—expanding the Empire State Child Tax Credit, investing in child care and afterschool programs, and making care more affordable statewide. These steps help parents stay employed, children get ahead, and communities thrive. We’re also pushing back on rate hikes, improving energy efficiency, and expanding access to cleaner, cheaper energy. This is about justice, opportunity, and making life more affordable for all.”