



NEW YORK STATE SENATOR

Dale M. Volker

Did I Mention That the Tax on Wine Is Increasing Too!

DALE M. VOLKER April 30, 2009

(DEPEW, NY) Senator Dale M. Volker (R-I-C, Depew) today voiced concerns regarding Gov. David Paterson's adopted budget that increased the state's wine excise tax from 18.93 cents to 30 cents per gallon, in hopes of generating revenue for the state. Not only will this new tax increase lessen wine sales, but wineries in New York State will be irreparably harmed. The increase in the wine excise tax will raise the cost of wine and decrease volume sold, thus negatively impacting sales and eliminating jobs. The fallout of this new tax will result in the loss of jobs. This anti-consumer and anti-business tax is on top of the over \$8 BILLION in new taxes and fees that were passed and enacted by Governor Paterson and the Democratic leaders of the State Senate and State Assembly. This bad budget simply takes more money from residents and businesses when they can least afford it. Senator Dale M. Volker said, "There are more than 200 wineries in western New York alone. This is an industry that is actually growing jobs in New York State, they have made long-term investments in New York and they are committed to growing their business here. Why the Governor and the Democrats in the State Legislature want to put our wineries at a disadvantage and penalize companies that create jobs, retain jobs, and pay taxes is simply mind-boggling." Additionally, as part of the Democrats adopted state budget, the State of New York is to impose a 'floor tax' on wine wholesalers and retailers. The tax – due to come into effect on May 1 – will levy a charge on all wine held in stock, and will charge at the rate of thirty-two and seven hundredths cents per gallon based on inventory. It will affect all wine stores in the New

York These businesses are effectively being taxed twice, as they already paid taxes on this wine when it was originally brought in. "My views remains constant-- it is not sound public policy, during a recession, to implement taxes that would eliminate jobs and thwart small-business growth, the very businesses that have created about 70 percent of new jobs nationally," said Senator Volker. There is no arguing the state needs to balance the budget and seek revenue, and I have proposed a "balanced" alternative budget that would reduce taxes, implement a job creation program and allow business to grow and stay here in New York State. Instead, the adopted state budget that was created in secrecy with no public input was jammed down the throats of New Yorkers and financially assaults the middle class with over \$8 BILLION in new taxes and fees. The only thing this budget does well is tax, spend and further burdens job creating businesses that will only compound the debt issue facing New York State. -30-