



NEW YORK STATE SENATOR

Frank Padavan

\$1.3 Billion In Burdensome Taxes and Fees Removed From State Budget Talks

FRANK PADAVAN March 10, 2009

Following months of strong opposition from Senator Frank Padavan (Queens) and his Senate Republican colleagues along with millions of New Yorkers, Governor Paterson has capitulated and agreed to remove the onerous tax and fee increases on numerous goods and services contained in the Executive Budget.

“Fueled by the overwhelming resistance throughout the state from middle-class families and small businesses that would have been adversely impacted by the over \$1.3 billion in taxes and fees increases proposed by Governor Paterson, my Senate Republican colleagues and I stood up in strong opposition to this burdensome proposal,” Padavan said. “If these taxes and fees had been implemented, families would have been additionally burdened at a time when they are doing everything they can to make ends meet and small businesses would have seen a significant reduction in revenue.”

Back in December 2008, Governor Paterson had proposed broad-based tax and fees increases on a long list of goods and services as a part of his 2009-2010 Executive Budget. Taxes and fee increases that were proposed by Governor Paterson included the “iTunes tax” taxes on entertainment and leisure activities and taxes on personal services such as haircuts and gym

memberships. All totaled the proposal would have cost New York's families an additional \$3,300.

Despite the welcomed news today, Padavan expressed his dismay and disappointment with the continual secretive budget talks conducted by Governor Paterson and the legislative majorities.

"While there is no denying the removal of these tax and fee hikes is a victory for middle-class New Yorkers and small businesses, the method by which this decision was hashed out is a step backwards for the legislative reform movement. Sadly and to the detriment of the legislative process the most important discussions surrounding New York's budget have been done behind closed doors in the Governor's office."

"With the budget deadline just three weeks away, Governor Paterson, Senate Majority Leader Smith and Speaker Silver must open up budget talks immediately and provide the necessary transparency that the public demands." Padavan concluded.