



NEW YORK STATE SENATOR

John J. Flanagan

Senator Flanagan Unveils “Homeowner Protection and Property Tax Rebate Act”

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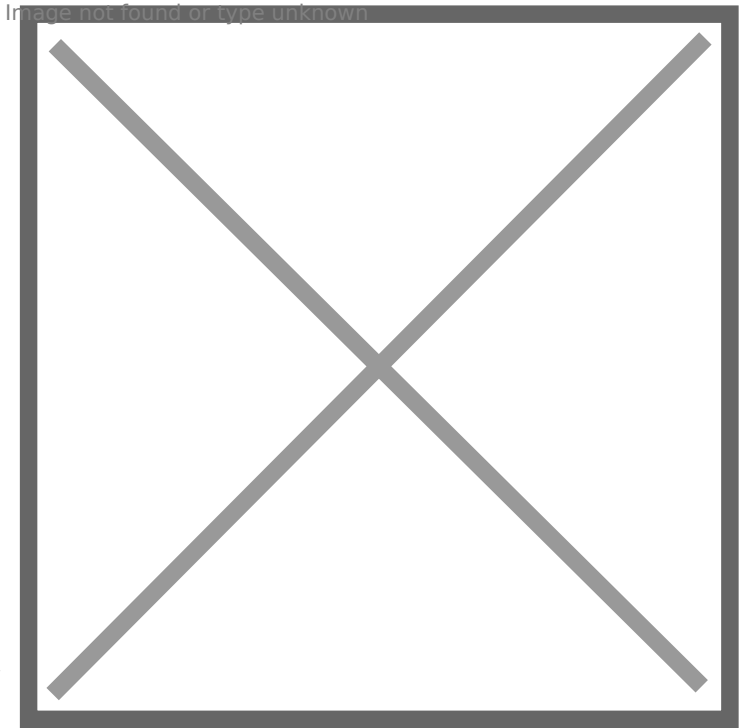
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- [Budget](#)

Senator John Flanagan (2nd Senate District) joined with the other members of the Senate Republican Conference to unveil the “Homeowner Protection and Property Tax Rebate Act,” a major new tax cut initiative aimed at protecting the taxpayers of New York State.

The main focus of the plan is the restoration of the property tax rebate plan for every middle-class taxpayer. The rebate would reimburse homeowners based on how much they pay in property taxes and how much they can afford.



The comprehensive package would usher in a new era of economic freedom for New York’s taxpayers. This would include significant changes including a cap on property taxes, significant mandate relief to further reduce costs and a cap on spending.

“This plan reflects all we have been pushing for and is exactly what our taxpayers need. It provides relief to middle-class taxpayers, it restricts how much the state can spend, installs a needed property tax cap and provides real relief from mandates and regulations that will impact everyone in our state,” stated Senator Flanagan. “Senate Democrats have talked a lot about property taxes in the last 15 months, but the only thing they have done is to take away the STAR rebate check to pay for additional spending and it is time for and it is time for all legislators in Albany to change the way they approach state and local spending.”

Under the Senate Republican proposal, homeowners would receive a property tax relief check equal to their 2008 STAR property tax rebate or an amount based on their income through a new property tax relief credit, whichever proves more beneficial.

The STAR rebate would be approximately thirty percent of a homeowner’s current STAR exemption, providing hundreds of dollars or more each year in property tax relief. A new “circuit breaker” tax credit would give back 70 percent of all property

taxes paid in excess of 6 percent of household income.

Under the “circuit breaker,” a taxpayer with household income of \$50,000, paying \$5,000 in property taxes, would receive a \$1,400 tax credit. A taxpayer with household income of \$90,000, paying \$9,000 in taxes, would receive a \$2,520 tax credit.

Senator Flanagan has organized an ongoing petition drive along with his colleagues to make sure that the voices of homeowners across the state are heard regarding this important matter. Since that drive was launched last year, over 160,000 have joined their call to restore this important property tax relief program that they initiated in 2006.

In addition to restoring this important property tax relief program, “Homeowner Protection and Property Tax Rebate Act,” calls for fundamental changes regarding mandates. The plan calls for a permanent ban on all unfunded mandates, along with implementation of new reforms at the State Education Department to keep costs down.

In addition, the plan would reduce paperwork for schools, authorize regional transportation and provide school districts with greater flexibility to purchase from existing contracts held by other government entities.

“Providing property tax relief to the residents of New York must be our state’s number one priority but it is impossible to do that without reigning in school district spending. By banning unfunded mandates and reducing other costly requirements, this act is targeting the number one issue that school administrators say is the cause of their high costs, and that should help lower the burden our taxpayers face,” Senator John Flanagan said.

And to make sure that school district do their part to hold the line on spending, the Republican plan also includes a property tax cap.

Senator Flanagan and the Republican delegation passed a property tax cap in 2008 in an effort to slam the door on skyrocketing property taxes. The chamber approved legislation (S8736) by a vote of 38-20, following recommendations by the Suozzi Commission on Property Tax Relief and Governor Paterson. The Assembly failed to act.

The measure also aims to hold the state government accountable by calling for a cap on State spending. That is something Senator Flanagan has long called for and voted for on two separate occasions when there was a Republican majority in the Senate.

Senator Flanagan noted that a spending cap would have saved taxpayers \$6.4 billion in last year's budget and will produce more than enough revenue to provide property tax relief going forward.

The plan also contains a proposal to freeze property taxes for seniors age 70 or older to help seniors across New York State who are struggling to stay in their homes. This will help address the problem of seniors living on fixed incomes who are being taxed out of their homes.

Senate Republicans said they will include the proposal in negotiations over the Governor's \$135 billion budget. Once public conference committees are established, they will outline other savings in the budget that could be utilized to include the rebate in any adopted budget.

So far, the Democrats who control the New York State Legislature have refused to hold any public negotiating sessions on the budget. This is despite repeated calls by the Senate Republicans that Senator John Sampson and Assembly Speaker Sheldon Silver agree on a schedule for an open, public budget process -- as required by law -- that leads to adoption of an on-time state budget.

"The Budget Reform Act of 2007 is clear and easy to follow but what is lacking is the political will. We have a budget that is required to be approved by April 1st but the people of our state have seen very little in substantial public discussion. Why don't we have conference committees or a schedule to get a budget done? The public deserves to know that the leaders of the Senate and the Assembly are following the laws of our state and right now they are failing miserably just as they did last year," concluded Senator Flanagan.

Last year's state budget, passed without a single Republican vote, raised taxes by \$8.5 billion, increased spending by \$12 billion and eliminated the STAR rebate check. If a single Democrat would have broken ranks with his or her New York City leadership, they could have stopped the budget from being enacted. Instead, they voted in lock step to put in place a budget that raised taxes, devastated small businesses and made the State's deteriorating economic situation worse.

To view Senator Flanagan's comments on this property tax relief package, please click here.