



NEW YORK STATE SENATOR

Patrick M. Gallivan

Senate Passes Property Tax Cap Legislation

PATRICK M. GALLIVAN June 24, 2011

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"Historic Moment" For WNY Homeowners And Businesses

Senator Patrick M. Gallivan (R,C,I – 59th District) announced this evening that the State Senate has passed landmark legislation to finally provide Western New York families and businesses with meaningful property tax relief – instituting a local property tax cap of two percent or the rate of inflation, whichever is less.

"New Yorkers pay the highest local taxes in the nation, 78 percent above the national average – this is simply unacceptable. For years the working families and small businesses of Western New York have been clamoring for relief and tonight we delivered it," Gallivan said. "Capping property taxes will keep families in their homes, grow our communities, and foster economic development by ensuring businesses can accurately gauge their year to year cost obligations.

The cap applies to taxes levied on property by counties, cities, towns, villages, school districts and fire districts across New York State. Citizens can override the two percent cap with a supermajority vote of 60 percent.

Coupled with the historic property tax cap was a comprehensive mandate relief package, which included an innovative new process through which municipalities can petition a just established "mandate relief panel" in an effort to repeal unnecessary, redundant, or exceedingly onerous state mandates.

"The mandate relief measures passed tonight are comprehensive and broad based. They will reduce the local cost of supply, service and labor contracts for local governments; streamline the archaic and often redundant administrative and procurement processes required by state law; and provide a mechanism for local governments to identify and petition the removal of additional mandates not addresses in this bill" Gallivan said.

Forty-three states have enacted some form of property tax cap, with New Jersey being the most recent. Various incarnations of a New York State property tax cap have been advanced in recent years but no proposal attracted the broad-based support that Senate Republican's and Governor Cuomo were able to harness this session for their joint property tax cap plan.

"Tonight's achievement is yet another display of the cooperative relationship in Albany that has allowed the Senate, the Assembly and the Governor to work together on behalf of the people. This cooperation has produced a balanced budget, fiscally responsible cuts in spending and taxes, consolidation and elimination of needless state bureaucracies, landmark ethics reforms, and now – a property tax cap in New York State," concluded Gallivan.

Provisions to extend and strengthen existing rent control regulations for New York City tenets were also contained in the legislation.