



NEW YORK STATE SENATOR

Thomas F. O'Mara

O'Mara: Senate will keep pushing 'New Jobs-NY' plan

THOMAS F. O'MARA April 12, 2012

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Albany, N.Y.--Even with the ambitious and aggressive economic development initiatives included in the new state budget, the Senate Majority has renewed its call for the enactment of a jobs program it proposed earlier this session called "New Jobs-NY."

State Senator Tom O'Mara (R-C, Big Flats) joined his Senate colleagues to renew their call for the enactment of the comprehensive economic development program.

"We've taken important steps over the past year to keep New York State moving toward a dramatic economic turnaround. But we need to keep doing anything and everything possible to remove New York from the list of states with the worst business climates in America. Government can help lead that effort by cutting taxes and controlling state spending, which is the bedrock of the Senate plan," said O'Mara, noting a January 2012 report from the *Tax Foundation* that ranked New York as having the second-worst

business tax climate in the nation, ahead of only New Jersey. “I think it's especially important that the Senate plan targets a manufacturing resurgence as the foundation of future private-sector job growth and economic security for upstate communities and workers.”

The new Senate plan proposes to strengthen the state’s economic competitiveness and improve New York’s business climate through a broad strategy involving significant tax relief, much of it aimed at private-sector job creation, and fiscal responsibility and spending control across state government.

Highlights of the Senate's "New Jobs-NY" initiative, which is supported by leading statewide business organizations including the Business Council of New York, Unshackle Upstate and the National Federation of Independent Businesses, include:

- an unprecedented, three-year phase-out of the state corporate franchise tax and personal income tax paid by manufacturers;
- providing small businesses with a corporate tax rate cut from 6.5 percent to 5.2 percent – a 20-percent reduction;
- a 10% tax credit for approximately 800,000 small businesses that have at least one employee, have business income of less than \$250,000, and that file under the personal income tax;
- the accelerated elimination of a staggering 500-percent hike in the 18a assessment that New Yorkers pay on their utility bills approved by the Democrat-controlled state Legislature in 2009 and signed into law by then-Governor David Paterson. This tax hike took \$1.2 billion out of the economy and chased businesses and jobs out of New York. The new Senate plan would accelerate the phase-out of this tax hike by one year, from 2014 to 2013;
- assistance for New York's small brewers through a new Production Credit and Label Registration Credit to encourage the expansion of the state's vibrant craft brewing industry; and
- a ***Hire-Now-NY*** proposal to initiate direct incentives to encourage businesses to expand the work force. For each new job created, a business would get a tax credit of up to \$5,000. That credit would increase to up to \$8,000 if the job goes to someone on unemployment. An enhanced ***Hire-A-Vet*** tax credit of up to \$10,000 to any business that hires a veteran returning home from military service;

Additional provisions of the Senate’s 2012 New Jobs-NY plan include a two-percent state spending cap; requiring a super-majority vote to increase state taxes; placing a moratorium on new taxes and fees; and new regulatory reforms to cut expensive red tape for businesses.

[Read more about the Senate's 2012 "New Jobs-NY" initiative in the attachment below.](#)