



NEW YORK STATE SENATOR

Catharine Young

Senator Young Announces 2012 New Jobs-NY Job Creation Plan

CATHARINE YOUNG March 7, 2012

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ALBANY – Senator Catharine Young (R,C,I – Olean) is co-sponsoring a major job creation plan that will be passed in the state Senate's budget resolution next week.

The 2012 NEW JOBS-NY Job Creation Plan includes significant tax relief to encourage the creation of new private sector jobs, measures to control state spending and ensure fiscal responsibility, and to protect taxpayers, according to Senator Young.

"Strengthening our small businesses and manufacturers will get the economy back on track. We need to get people back to work, create more jobs and have career opportunities so our young people can stay after they graduate," Senator Young said.

"Last year, Senate Republicans partnered with Governor Cuomo to make state government function again, and, working together, we successfully passed an on-time budget, reduced state spending, cut taxes on small businesses and for Upstate manufacturers. This Job Creation Plan will build on that progress by further cutting taxes, providing tax credits, and eliminating job-killing regulations," Senator Young said.

"This plan includes a 20 percent tax cut for small businesses that reduces the corporate tax from 6.85 percent to 5.5 percent and eliminates the fixed dollar minimum. This \$65 million

tax cut impacts almost 200,000 small businesses and will help our state become more economically competitive and encourage job creation,” Senator Young added.

Small businesses with at least one employee that have a business income of less than \$250,000 and file under the personal income tax will also receive a 10 percent tax credit, which saves about 800,000 companies approximately \$120 million.

“A new energy tax cut is also incorporated in the NEW JOBS-NY Job Creation Plan that eliminates a 500 percent hike enacted when New York City controlled the Senate. This disastrous increase took \$1.2 billion out of the economy and hurt area businesses. Removing this burdensome tax hike will help create and keep jobs in the state,” Senator Young said.

The Senate Majority also wants to ensure increasing tuition costs don’t hinder students’ ability to obtain a higher education, so it fought hard to peg existing tuition tax credits and deductions to the Higher Education Price Index (HEPI), allowing deductions to increase from \$10,000 to \$13,820 and credits to increase from \$400 to \$553.

Legislators also introduced two new incentives to further job creation -- “Hire-Now-NY” and “Hire-a-Vet,” which gives tax credits to businesses that create new jobs or hire a veteran returning home from the military.

“Our veterans selflessly serve this nation, and it’s only proper for us to welcome home with the opportunity to obtain employment. Any business that provides a veteran with a job would be eligible for an enhanced tax credit of up to \$10,000 a year,” Senator Young said.

The plan also incorporates a two percent cap on state spending and a moratorium on new taxes and fees. It is supported statewide by job advocacy organizations including the

Business Council of New York, Unshackle Upstate and the National Federation of Independent Businesses.

Brian Sampson, Executive Director of Unshackle Upstate said: "The Senate Majority's one-house budget plan shows that the Senate is serious about providing relief to taxpayers and boosting private sector job growth. By advancing a constitutional limit on the growth of state spending, reducing hidden energy taxes by expediting the repeal of the 18a assessment and providing tax credits for creating jobs, the Senate Majority's plan will help get our economy back on track. Unshackle Upstate supports the Senate Majority's plan and we'll continue to work with them to address meaningful mandate relief for our local governments that will help unlock their potential and make our communities more affordable."

Heather Briccetti, President and CEO of The Business Council of New York State, Inc. said: "New York needs good paying jobs. The New Jobs NY legislation shows that the State Senate leadership are clearly focused on creating them. The program provides much needed tax relief to small businesses, which are the engines of job creation and economic growth throughout the state."

Mike Durant, State Director of the National Federation of Independent Business, said: "This portion of the Senate's budget proposal addresses many of the critical needs of small businesses. I look forward to seeing the Senate's budget proposal in its entirety in hope that significant mandate relief is also addressed, such as comprehensive pension reform, to further decrease the substantial burden on taxpayers."