



NEW YORK STATE SENATOR

Charles J. Fuschillo Jr.

## Senator Fuschillo Announces Approval of Senate's 2012-13 Budget Resolution

CHARLES J. FUSCHILLO JR. March 14, 2012

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Senator Charles J. Fuschillo, Jr. (R-Merrick) announced that the New York State Senate recently passed its 2012-13 budget resolution which controls state spending, contains no new taxes, fees, and unfunded mandates and helps create new jobs.

“This budget resolution focuses on the right priorities; cutting taxes, controlling spending, and promoting job creation and economic development,” said Senator Fuschillo. “We got New York State headed back in the right direction last year by delivering on these priorities. Now we need to build on that success to keep the state moving forward. That’s exactly what this budget plan would do.”

The Senate budget resolution, which would spend slightly less than the proposed Executive Budget, would close a \$2 billion budget deficit and build on last year’s successes in putting New York State in the right direction.

The Senate budget resolution also includes a comprehensive job creation plan that would cut taxes on businesses; provide additional aid to schools; deliver more mandate relief for localities; offer more tuition help for middle class families; and greater assistance for seniors

to lower prescription drug costs.

Highlights of the Senate's budget resolution include:

Job Creation & Helping Small Businesses:

\* Small businesses would see a corporate tax rate cut from 6.5 percent to 5.2 percent- a reduction of approximately 20 percent. The fixed dollar minimum would also be eliminated;

\* Small businesses that pay under the personal income tax would also receive a 10 percent tax credit if they have at least one employee and a business income of less than \$250,000;

\* The 18a assessment increase that raised utility costs for New Yorkers, which Senator Fuschillo strongly opposed, would be repealed one year ahead of schedule. The tax would be phased out by 2013 instead of 2014, helping to reduce energy costs and boost the economy;

\* Businesses would receive a tax credit of up to \$5,000 for each new job they create. The credit would rise to up to \$8,000 if the new employee is taken from the unemployment rolls or up to \$10,000 if the new employee is a returning military veteran;

\* New regulatory reform would be enacted to help businesses cut through expensive and time consuming red tape.

Controlling Spending & No New Taxes:

\* Enact a state spending cap, which would cap state spending increases at either two percent or 120 percent of the consumer price index, whichever is less;

\* Make it far more difficult for Albany to raise taxes by requiring a two-thirds "super majority" vote, rather than a simple majority, for any tax increase;

\* Place a moratorium on new taxes and fees.

#### Enhanced tax savings for families:

\* The state's college tuition tax deduction would increase to \$13,280 and the tuition tax credit would increase to \$553;

\* The state's pre-tax mass transit benefit program would be fully restored, allowing commuters to exempt up to \$240 a month from state income tax to cover mass-transit commuting expenses for 2012. The state's benefit, which is currently tied to the federal government's mass transit tax benefit, was cut nearly in half by Washington when Congress failed to authorize an extension by the December 31, 2011 deadline.

#### Medicaid Reform:

\* The Senate plan accelerates the Governor's proposal to freeze the growth of the local contribution of Medicaid expenditures, thereby saving Nassau and Suffolk Counties millions of dollars.

#### Increased Aid to Education:

\* The Senate budget plan would add more than \$800 million in school aid.

#### Relief for Seniors:

\* The Senate's budget plan would restore \$48.2 million to the Elderly Pharmaceutical Insurance Coverage (EPIC) Program to reduce copayments.