



NEW YORK STATE SENATOR

Patty Ritchie

## Senate Acts to Continue Cutting State Spending, Create Jobs

PATTY RITCHIE May 30, 2012

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State Senator Patty Ritchie today announced a comprehensive legislative package to continue cutting state taxes and spending, and propel new job growth across Central and Northern New York, and the entire state.

The Senate's "2012 NEW JOBS-NY Job Creation Plan" (S.7448) aims to help private business create thousands of new jobs, by delivering tax relief to small businesses and manufacturers, reducing energy costs and enacting major fiscal reforms to make New York State more competitive.

It's accompanied by a separate measure that will permanently rein in state spending, to prevent the reckless, out-of-control spending that contributed to the state's previous fiscal crisis. The bill comes on the heels of back-to-back state budgets that reduced state spending from prior year levels—an historic first.

"When it comes to getting our economy back on track here in New York State, job creation is key," said Senator Ritchie. "This plan gives job creators the tools they need—like relief from taxes and lower energy costs—to put more New Yorkers back to work and jump-start our economy."

Highlights of the Senate's jobs plan include:

- Tax cuts for small business, including a 20 percent reduction in the corporate tax, 10 percent cut in income taxes and elimination of a state tax on manufacturers;
- Rolling back a \$600 million tax on residential and business energy bills first imposed in 2009;
- New tax incentives for businesses that create jobs;
- A new tax credit for hiring a returning veteran, and
- A new "angel investor" tax credit to encourage investments in start-up businesses.

The Senate also passed a bill, S.716, that would prevent state spending from increasing beyond the rate of inflation. The past two state budgets reduced state spending from prior year levels to help erase multibillion deficits left over from past administrations.

"We have passed State Budgets two years in a row that have cut spending have closed budget gaps without raising taxes," said Senator Ritchie.

"This is just one more step towards stopping runaway spending for good and speeding up our economic recovery."