



NEW YORK STATE SENATOR

Simcha Felder

## Felder Joins Senate GOP in Urging Removal of Taxpayer Utility Surcharge

SIMCHA FELDER February 12, 2013

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Senator Simcha Felder (D-Brooklyn) has signed onto the Senate GOP's letter urging the removal of the proposed extension of the utility tax surcharge from the Executive Budget. In 2009, former Governor Paterson enacted a tax surcharge on electric, gas, steam and non-municipal water services that has cost taxpayers almost \$2.5 billion over the last four years. The 18-a assessment – which has increased utility bills for nearly every taxpayer in the state – is scheduled to expire on March 31, 2014.

"This tax surcharge takes money out of the pockets of hard-working New Yorkers, hurts businesses, and hinders job growth," Senator Felder said. "This is simply a new tax. New Yorkers already pay some of the highest utility rates in the country and are entitled to some relief."

The proposed five-year extension will cost consumers and businesses a total of nearly \$3 billion. "Allowing this tax surcharge to expire will make New York more economically competitive, reduce costs on businesses, help expand our economy, and create new private sector jobs," Senate Republican Conference Leader Dean Skelos said. "This is a key element of our job creation agenda for this year."

Based on average consumption figures from National Grid, the impact of the energy tax extension on a typical large business is estimated at \$30,000 per year. The added cost for a small business would be about \$540 per year, while average household utility bills would increase by \$55 per year.

"Instead of paying higher utility taxes, families and businesses across our state should be able to keep and invest more of what they earn," Senator Felder added. "In this difficult economy, every penny counts."