



NEW YORK STATE SENATOR

Catharine Young

## State Senate Passes Tax Relief Package

CATHARINE YOUNG June 11, 2014

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*Legislation Would Encourage Business Growth and Job Creation*

ALBANY - Senator Catharine Young (R,C,I-Olean) and the New York State Senate today passed seven bills to provide tax relief to businesses, encourage historic preservation projects, reduce energy taxes, protect forestland, provide tax benefits to disabled veterans, and help teachers who purchase school supplies.

"Hardworking taxpayers and families need relief. Revitalizing our economy for a prosperous future with job opportunities is our highest priority. The measures we passed today build on the major tax relief initiatives we have already passed in the State Budget to help small businesses and manufacturers thrive," said Senator Young.

The bills approved by the Senate today include the following measures:

### **Expanding the Historic Preservation Tax Credit**

Senate Bill 4642-A would encourage more revitalization projects by increasing the maximum award available under the historic preservation tax credit from \$5 million to \$12 million dollars for developers willing to rehabilitate historic buildings.

Current law caps the tax credit at \$5 million on a project which can act as a disincentive for the development of larger, more blighted or more expensive projects. This legislation continues the 20-percent tax credit but raises the maximum threshold to \$12 million.

### **Full Property Tax Exemption for Totally Disabled Veterans**

Senate Bill 6563-A would make the primary residence of a permanently, totally disabled veteran exempt from property taxes. The exemption helps address concerns that totally disabled veterans who are unable to pay skyrocketing property taxes could be forced out of their homes.

### **Reducing Energy Taxes on Businesses**

Senate Bill 3471 would make businesses in New York State fully exempt from the Petroleum Business Tax (PBT) on heating fuel. Currently, residential consumers are fully exempt from the PBT on heating fuel, while businesses receive a partial exemption.

### **Tax Credit To Encourage Forest & Habitat Conservation**

Senate Bill 1005A would create a forestry stewardship and habitat conservation tax credit for personal income and business franchise taxes. The tax credit would provide an incentive for private forest landowners to keep their land from development and preserve the benefits provided by contiguous forests to wildlife, water quality, and the forest-based economy.

### **Tax Deduction for Teachers Who Purchase School Supplies**

Senate Bill 3626-D would create a state personal income tax deduction of up to \$500 per year for out-of-pocket school supply expenses incurred by public and non-public school teachers of grades K-12. Many teachers spend hundreds of dollars a year on supplies for their classes and while there is a federal tax deduction, no state deduction currently exists.

All of the tax relief bills passed by the Senate today will be sent to the Assembly.

Other job-creating tax cut measures initiated by Senate Republicans that were included in the 2014-15 state budget include:

- Eliminating the corporate income tax on manufacturers this year;
- Creating real property tax credit of 20 percent for manufacturers that lease or own property;
- Accelerating the elimination of the 18-a energy tax surcharge to save all business and residential ratepayers \$600 million over the next three years; and
- Increasing the estate tax exclusion over the next five years from \$1 million to \$5.25 million. Starting in 2019, the exclusion will be equalized with the federal exemption and indexed to inflation, thereafter.

“Delivering tax relief and strengthening our economy will bring new jobs and opportunities to our communities, ensuring our young people have a chance to build successful and fulfilling careers right here and do not have to leave after they graduate,” said Senator Young.

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