



NEW YORK STATE SENATOR

Patrick M. Gullivan

Senator Gullivan Joins Senate Majority in Unveiling 2018 Affordability Agenda

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January 9, 2018

ISSUE:

- [2018 Affordability Agenda that focuses on broad-based tax relief for families and seniors](#)



Senator Patrick M. Gallivan (R-C-I, Elma) joined his colleagues in the New York State Senate Majority today in unveiling a broad-based affordability agenda designed to help individuals, families, and seniors continue to live, work, and succeed in New York. Initiatives advanced this year by the Senate will reduce the excessively high taxes and other factors that make it difficult to live, raise a family, own a home, or retire in New York.

“The issue I hear the most about when I talk with constituents is the high cost of living in New York State,” Gallivan said. “We need to take steps to cut taxes and ease the financial burden facing hardworking families, homeowners and seniors who are struggling to make ends meet. These initiatives will go a long way in making New York a more affordable place to live, work and raise a family.”

The Senate is advancing a three-pronged “Blueprint for a Stronger New York” that focuses on making the state less costly and more attractive. When combined together, the Senate’s Affordability, Opportunity, and Security agendas comprise a powerful and comprehensive plan to give all New Yorkers the opportunity to succeed.

Today’s announcement details the first part: an Affordability Agenda that focuses on broad-based tax relief for families and seniors. The Affordability blueprint includes:

- Lower Income Taxes

- Lower Property Taxes
- Lower Energy Taxes
- Lower Taxes on Retirement
- Reforms to Control Spending and Prevent Tax Increases

Lower Income Taxes:

The start of the New Year means millions of taxpayers will begin to see significant savings delivered as part of the Senate Majority's Middle Class Income Tax Cut. Tax relief will ultimately reach \$4.2 billion a year and reduce middle class tax rates by 20 percent for employees and tens of thousands of small businesses.

The Senate Majority will also advance measures to help all New Yorkers negatively impacted by Federal income tax changes that were recently approved in Washington D.C.

Lower Property Taxes For Every Homeowner:

New York is one of the highest taxed states in the nation and high property taxes are a key factor in the inability of families and seniors to make ends meet. With the enactment of the Senate Majority's two-percent property tax cap in 2011, progress has been made in curtailing soaring tax growth, but ongoing adherence to the cap is not guaranteed.

The Senate will be acting on legislation that makes the state's highly successful property tax cap permanent. Since it was enacted, taxpayers have already saved \$23 billion and to cement those gains for current and future taxpayers, it must be made permanent this year.

In 2018, 2.5 million residents will receive nearly \$1 billion in property tax rebate checks – over and above the tax relief already provided by the STAR program. The Senate Majority secured the checks in 2015 and will make it a priority to prevent any diminishing or eliminating of those rebate checks in this year's state budget.

In addition, the Affordability Agenda proposes a 25-percent increase in the size of the current property tax rebate checks. These checks currently provide direct, much-needed relief through checks in the mail to homeowners and increasing their amount will help further ease the local tax burden.

Many seniors on fixed incomes face a particularly difficult challenge affording New York's high taxes. To help alleviate this financial pressure and prevent older New Yorkers from being forced to move to lower-taxing states, the Senate Majority will propose a new freeze on school property taxes at current levels for seniors. In addition, the Senate will go one-step further and propose completely eliminating school property taxes for seniors over the next ten years.

Lower Energy Taxes - \$280 Million in New Tax Relief:

New York has some of the highest energy costs in the nation, and state taxes on energy impose a major expense on millions of families and seniors. To provide relief to overburdened taxpayers, the Senate Majority plan would eliminate the two-percent Gross Receipts Tax on utility bills, resulting in \$190 million in savings.

The energy tax savings would also expand upon the energy savings achieved when the Senate Majority phased out the onerous 18-A energy tax surcharge enacted several years ago. Now that the surcharge has been eliminated, the Senate Majority's Affordability plan would go even further by eliminating the base, underlying 18-A assessment tax and have the \$90 million in savings come from the state's general fund.

Lower Taxes on Retirement - \$275 Million in New Tax Relief:

Each year, thousands of older New Yorkers leave their communities and move to other states because of the taxation of a large portion of retiree pension income. The Senate Majority proposes to help reverse this trend by doubling the current exemption on pension income and save seniors \$275 million. This initiative, combined with the property tax reductions proposed above, would make New York more affordable for more seniors.

Reforms to Control Spending and Prevent Tax Increases:

Later today, the Senate will also be acting on legislation that enacts a permanent two-percent spending cap into state law. For the last seven years, the Senate Majority has held spending within a two-percent cap, saving a cumulative \$41 billion. To protect New Yorkers from future tax increases, the state must enact a permanent spending cap to ensure families and businesses can afford to be located in New York for years to come.

Similar to last year's successful rejection of hundreds of millions of dollars in new taxes and fees proposed by the Governor, the Senate Majority will advance a 2018-19 budget proposal that includes no new taxes or fees.

To further hold the state accountable and prevent unnecessary taxation, the Senate Majority will put forward a measure that requires a supermajority vote on state legislation that increase taxes and address the mandates that drive up local taxes. The Senate will also propose a constitutional amendment to ban unfunded mandates and further pursue property tax relief through the significant reductions of existing mandates.

The Senate Majority Record

The Senate Majority has been responsible for the enactment of 85 tax cuts over the past seven years, saving taxpayers \$12 billion to date. This includes the lowest middle-class tax rates since 1948, the lowest manufacturing rates since 1917, the lowest corporate rates since 1968, a property tax cap for homeowners, and many more.

The Blueprint for a Stronger New York will build on that successful record and provide a sensible approach to lowering taxes and creating better opportunities for all New Yorkers during the 2018 session and upcoming budget negotiations.