



NEW YORK STATE SENATOR

Terrence Murphy

State Senator Murphy focuses on affordability for 2018

TERRENCE MURPHY January 9, 2018

| ISSUE: **CUTTING TAXES, TAXES, COMMUNITIES, SENIOR CITIZENS, CHILDREN & FAMILIES**



Albany, NY - New Yorkers always want to be number one. However, all New Yorkers will undoubtedly agree that being #1 in domestic migration or being the 48th state out of 50 in affordability is nothing to be proud of. Onerous property and income taxes, the high cost of living and out of control spending are the main culprits threatening New York's ability to keep residents from fleeing to other states. Today, the New York State Senate Majority addressed these issues, unveiling a broad-based affordability agenda designed to 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.

At a press conference held at the State Capital, Senator Terrence Murphy joined members of the Senate Majority Conference to detail the first part of the Senate's "Blueprint for a Stronger New York". The Senate is advancing a three-pronged "Blueprint for a Stronger New York" that focuses on making the state less costly and more attractive for hardworking New Yorkers. 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.

"We refuse to put the weight of the state's fiscal well-being on our already overburdened taxpayers. We have developed a plan that will provide real tax relief and revitalize the State's business climate," said Senator Murphy. "We want to stem the tide of New Yorkers leaving the State because they have to choose between eating and paying the rent. The 'Blueprint for a Stronger New York' will provide a sensible approach to lowering taxes and creating better opportunities for all New Yorkers."

Senate Majority Leader John J. Flanagan said, "Whether you are a New Yorker looking to begin a career, a young family working hard to make ends meet, or an older New Yorker looking to stay in your community, our state's high cost of living is forcing thousands of New Yorkers to flee to other parts of the country. The Senate Majority is taking action to stop this outmigration and make our state more affordable by delivering \$4.2 billion in middle class income tax cuts this year, proposing hundreds of millions of dollars in new tax relief, and ensuring long-term fiscal responsibility in government."

"As we head into what will be a challenging state budget process, the Senate Majority is firm in its conviction that the budget will not be balanced on the backs of already-overburdened state taxpayers. Just the opposite: we will be fighting for those New Yorkers that we hear

from every day who are struggling with taxes and the high cost of living in our state," Catharine M. Young Chair of the Senate Finance Committee said. "From the seniors being forced to choose between paying their property taxes or medical bills, to the harried, hardworking parents who must juggle two or three jobs to stay afloat, to every cash-strapped person in between, they are our priority. In 2018, the Senate Majority will continue to be their voice as we look to give them additional relief from the onerous property, income, and energy taxes that are crushing their household budgets. The future they want and deserve for themselves and their children depends on us."

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

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.

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.

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 increases taxes and addresses the mandates that drive up local taxes. The Senate's plan also calls for a constitutional amendment to ban unfunded mandates and further pursue property tax relief through the significant reductions of existing mandates.