



NEW YORK STATE SENATOR

Peter Oberacker

Senator Oberacker Bill Part of Legislative Package to Reset Restaurant & Hospitality Industry

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| ISSUE: **RESET NEW YORK. RESTAURANT & HOSPITALITY, SMALL BUSINESS**



ALBANY – 01/26/21 – Senator Peter Oberacker (R/C-Schenevus) today joined with members of the Senate Republican Conference to unveil a package of legislation to help “Reset New York’s Restaurant and Hospitality Industry.”

The COVID-19 pandemic has presented unique challenges for all New Yorkers and crippled our economy - in particular our restaurants and hospitality businesses in New York State.

Hundreds of thousands of New Yorkers working in this industry, including many hourly and tipped wage employees, have counted heavily toward the state's skyrocketing unemployment numbers since the onset of the pandemic last year. State coffers have also suffered, as the hospitality industry is the number one source of sales tax revenue in New York City, and number two in the state.

“Our small business owners think of their employees like family and have gone out of their way to keep them on the job throughout the pandemic. Unfortunately, government restrictions and other factors have left many employers holding on by a thread. Restaurants and hospitality businesses have been particularly hard hit and those who cater to tourists, which is the case in much of my district, are facing dire straits. Rewarding our job creators with an employee retention tax credit and other supports will help restart our state’s economy and revitalize our businesses,” said Senator Peter Oberacker.

Senator Oberacker's bill would create an employee retention tax credit, modeled after the Federal Employee Retention Credit, to help employers keep workers on payroll. Eligible employers are small businesses who either had to fully or partially suspend operation during any quarter of 2020 due to government restrictions or who experienced a significant decline in revenue.

Additional relief measures for business owners affected by the COVID-19 pandemic include:

- Exempt small businesses from being penalized with higher unemployment insurance rates due to layoffs resulting from COVID-related, government-mandated closures. The exemption would extend for a period of one year from when they are permitted to return to full capacity;
- Prohibit internet-based food delivery services from charging higher fees than they charged on or before March 1, 2020;

- Provide small businesses additional time to pay monthly sales and payroll taxes, as well as, business and property taxes;
- Offer interest-free loans or lines of credit to small businesses;
- Provide a one year extension for renewal of liquor licenses;
- Provide businesses a 90 day grace period to pay any fees or penalties due to state and local agencies;
- Direct SLA-inflicted fines into a business relief fund to help small businesses get back on their feet;
- Provide for a credit on liquor license renewals for the amount of time bars and restaurants were forced to be shut down due to the COVID-19 pandemic;
- Create a limited state sales tax exemption for the sale of food and drink at restaurants and taverns from state sales and compensating use taxes and granting municipalities the option to grant such limited exemption;
- Provide a tax check off box that will direct funds into a business relief fund.

“If we are going to help out-of-work New Yorkers and save our favorite local establishments, we must act now. It is time for the state to partner with the restaurant and hospitality industry and ensure a safe and productive future,” Senator Oberacker concluded.



 **RESET**
NEW YORK STATE
RESTART. RETHINK. RENEW.