



NEW YORK STATE SENATOR

James Sanders Jr.

Dozens of Organizations Urge New York State to End the Stock Transfer Tax Rebate Show Support for Sanders/Steck Legislation to Raise Revenue

JAMES SANDERS JR. February 22, 2021

(February 22, 2021) – New York , NY– Today, Monday, February 22, 2021, a coalition of groups released a letter calling on New York State’s legislative leaders to put an end to the stock transfer tax rebate. The coalition, representing dozens of organizations and growing daily, includes labor unions, healthcare institutions, environmental groups, social service providers, faith leaders, community activists and more.

The call for repealing this Wall Street giveaway is growing louder as New York State has continued to threaten to funding cuts and layoffs of essential workers. Just this past week, the Metropolitan Transit Authority announced it would ignore its contractual obligations to its employees and implement a “wage freeze”. This “freeze”, if enacted, would strip promised monies from hard-working men and women who served on the frontlines throughout this pandemic. The MTA situation is not unique. Budget cuts are threatening the most vulnerable New Yorkers and any help from the federal government will only be temporary.

In the letter, the organizations speak to the urgency of the need to raise revenue for state, both for immediate needs and long-term growth by ending the stock transfer tax rebate. The tax, over a century old, was changed into a 100% rebate in the early 1980’s. By ending this

rebate, the state would raise an estimated \$13-16 billion in annual revenue, reducing the need for reliance on the federal government and providing long-term funding for infrastructure, healthcare, education, housing and transportation.

“As leaders and organizations dedicated to serving the people of this great state, we know that austerity measures would damage communities already suffering and this is an injustice we should not allow to happen,” the letter’s signatories said.

The letter also pointed out that a stock transfer tax is commonplace in most of the global stock exchanges.

“Of the major global economies, such as London, Taiwan, and Hong Kong, New York is the only one that rebates this tax. The other economies keep the revenue and they have shown no sign of business slow-down. In addition, the tax is derived from transactions on the stock exchange meaning that an estimated 80% of its revenue will come from individuals out of state.”

The stock transfer tax bill (S.1406/A.3353) has been introduced by Senator James Sanders Jr. in the Senate with an accompanying bill in the Assembly introduced by Assembly Member Phil Steck.

See the attached .pdf to read a copy of the letter.