



NEW YORK STATE SENATOR

Simcha Felder

Felder Demands Tax Relief, Again

[Simcha Felder](#)

February 25, 2021



After calling out the City's property tax hike during the COVID-19 pandemic economic crisis as a chutzpah to struggling homeowners, Senator Simcha Felder (D-Midwood, Madison, Boro Park) has now introduced legislation that would provide tax relief for millions of New Yorkers who received unemployment benefits during the

COVID-19 pandemic.

Felder's COVID-19 Unemployment Benefits Tax Relief would waive New York State income taxes on the first \$10,200 of unemployment benefits received in 2020. The tax relief would extend to all workers who received benefits, both through Federal unemployment programs like Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC) and those who received traditional unemployment benefits through NYS unemployment insurance (UI). Assemblyman Peter J. Abbatte (D- Bensonhurst, Dyker Heights) is expected to introduce the bill in the Assembly.

"During this exceptionally difficult time, New Yorkers deserve help with no strings attached. When the government extends help with its right hand, the left hand has no business taking it back," said Senator Felder. "Unemployment benefits are a lifeline to families struggling to keep a roof over their heads, food on the table, and to pay for necessities. The bill I introduced today provides vital tax relief that would allow unemployed New Yorkers to fully utilize their unemployment benefits supporting their families and communities."

Amongst states that tax income, five — California, New Jersey, Oregon, Pennsylvania and Virginia — already fully exempt UI benefits. Delaware just recently exempted UI benefits from state taxes and Arkansas is weighing a similar proposal.

The CARES Act, passed by Congress in March 2020, provided an additional \$600 in unemployment benefits through the end of July. The \$10,200 of tax relief provided in this bill would cover 17 weeks of that \$600 per week benefit. This calculation is based on similar tax relief provided in the 2009 American Recovery and Reinvestment Act (ARRA) during the last recession. Similar legislation was recently proposed at the Federal level.

"As people everywhere continue to feel the pain of COVID-19's resulting economic crisis, this legislation will protect New Yorkers who received unemployment benefits from being hit with an extortionate tax bill," said Senator Felder.

related legislation

[2021-S5125A](#)

-
- Introduced
 - - In Committee Assembly
 - In Committee Senate
 - - On Floor Calendar Assembly
 - On Floor Calendar Senate
 - - Passed Assembly
 - Passed Senate
 - Delivered to Governor
 - Signed By Governor

-

[Excludes from state income tax certain unemployment compensation benefits](#)

February 24, 2021

In Senate Committee [Budget and Revenue](#)

Sponsored by [Simcha Felder](#)

Do you support this bill?