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April 27, 2020

The Honorable Andrew M. Cuomo
Governor
New York State Capitol
Albany, NY 12224

Dear Governor Cuomo:

We write to ask that you use the power conferred to you by the Legislature in Chapter 23 of the Laws of 2020 to issue a directive via Executive Order allowing New York's small businesses to retain, at a minimum, the State share of the sales taxes they collected during Q4 of 2019 (December 1, 2019 – February 29, 2020) and convert such sales taxes to cash grants for the businesses to use for operational expenses, including payroll.

The COVID-19 pandemic and the drastic, but necessary, measures that the State has taken to slow the spread of the virus threaten to have a devastating and last-lasting impact on New York's small business community. Across the State, non-essential businesses have shuttered, employees have been laid off or furloughed, and essential business that remain open are experiencing substantial reductions in sales.

While the federal CARES Act included the Paycheck Protection Program purporting to help the small business community by providing potentially forgivable loans, many businesses in our districts, particular restaurants, have expressed frustration with the application process, terms and conditions, limited availability of funds, and repayment schedule of the loans.

As you know, Executive Order 202.8 expanded the New York State Tax Commissioner's authority to abate late filing and payment penalties to also include the abatement of interest accrual for late payment otherwise due on March 20. Many small businesses that were impacted by the COVID-19 pandemic still have the Q4 sales taxes they collected on hand. Converting those collected taxes to cash grants would be an immediate infusion of liquid funds that businesses sorely need to stay afloat. Allowing small businesses to retain and use the local share of Q4 sales taxes would provide an even greater benefit, but would need to be paired with State reimbursement of local governments so as to not deprive municipalities of sorely-needed revenue.

For those businesses that already remitted their Q4 sales taxes, the State could issue payments back to the businesses equal in amount to what they remitted. To mitigate the loss in sales tax revenue for the State, such a directive might only apply to businesses with less than 250 employees.

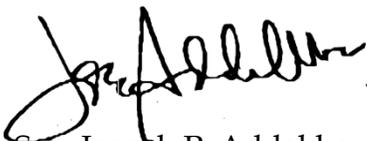
We would also ask that you consider granting sales tax collection relief for small businesses that are designated essential and remain open during the New York on PAUSE order that started March 22 and is currently ordered through at least May 15. Many of these businesses are operating with reduced staffs, limited hours, and restrictions on their physical spaces, such as restaurants that have closed their dining rooms and now offer delivery or take-out only. These businesses are deemed essential for a reason, and are providing New Yorkers across the State with access to food, goods, and services that are necessary to our constituents' lives, often with razor-thin profit margins or even operating at a loss.

Your guidance of the State through the COVID-19 crisis has been steadfast and thoughtful, and we commend you on your leadership. Please consider taking these actions to extend a lifeline to the small business community that help make New York the great state that it is.

Sincerely,



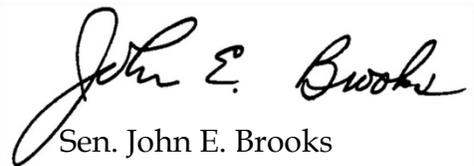
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Sen. Alessandra Biaggi



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Sen. Leroy Comrie



Sen. Andrew Gounardes



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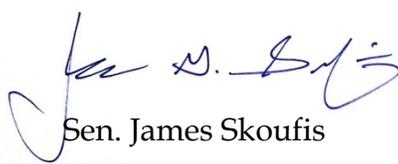
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Sen. Jessica Ramos



Sen. James Skoufis