



The 2012 New Jobs-NY Job Creation Plan

NEW YORK STATE SENATE MAJORITY

2011: New Leadership – Real Progress



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NEW YORK STATE SENATE REPUBLICAN MAJORITY

By any standard, 2011 was a remarkably productive year for New York State. With new leadership in the Governor's Office and the State Senate, we:

- DONE ✓** *Passed an on-time State Budget.*
- DONE ✓** *Closed a \$10 billion gap without raising taxes.*
- DONE ✓** *Reduced spending, cut taxes on small businesses.*
- DONE ✓** *Enacted an historic property tax cap.*
- DONE ✓** *Enacted UB 2020 Buffalo initiative / SUNY 2020.*
- DONE ✓** *Repealed MTA Payroll Tax for hundreds of thousands of small businesses and self-employed New Yorkers.*
- DONE ✓** *Cut taxes for middle-class families, keeping billions of dollars in private-sector economy.*
- DONE ✓** *Enacted tax cut for Upstate manufacturers.*

Now we must build on this progress by tackling the single biggest challenge facing our state: **JOB CREATION.**



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NEW JOBS-NY: 3 KEY GOALS

- **Controlling Spending**
- **Cutting Taxes**
- **Creating Thousands of New Jobs**



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Taxpayer Protection, Fiscal Responsibility

Creating a Strong Fiscal Foundation for Economic Growth

- In 2011, the State Senate and Governor Cuomo began putting the state back on track by reducing spending and cutting taxes for middle class New Yorkers. The **New Jobs-NY Plan** will build on that progress – and create a better environment for economic growth – by launching a series of major reforms to help protect taxpayers and make government more fiscally responsible.
- ✓ **State Spending Cap:** This 2 percent cap on spending would help to ensure fiscal responsibility, and provide a better environment for economic growth and job creation.
- ✓ **Constitutional Amendment to Help Prevent Tax Increases:** This measure would require a two-thirds “super majority” vote for any tax hike -- making it far more difficult to raise taxes.
- ✓ **Moratorium on New Taxes and Fees:** Last year, we closed a \$10 billion budget deficit – without resorting to any new taxes and fees. To continue our efforts to strengthen our economic climate, the Senate Majority is again committed to enacting a new State Budget that avoids any new taxes and fees.
- ✓ **Regulatory Reform / Cutting Red Tape:** Our plan would repeal the annual notification provisions of the “Wage Theft Prevention Act of 2010” – a duplicative and costly mandate on NY employers. (S.6063A /Passed Senate) It also includes the “Honesty in Permit Processing Act” (S. 2461) which will help eliminate long delays by state agencies in the processing of professional license and permit applications. This will improve our business climate, empower taxpayers and increase government accountability.



JOB-CREATING TAX CUTS

Cutting Taxes to Help Local Businesses



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Last year we reduced spending, cut income taxes, rolled back the MTA payroll tax, reduced manufacturing taxes, and capped property taxes. The next key step we must take is reducing broad-based business taxes.

- **A 20% Tax Cut for Our Local Businesses:** This measure would cut the corporate tax rate for small businesses from 6.5% to 5.2% – **an overall reduction of 20%.** –**Impacts over 200,000 small businesses / Investment in new jobs - \$65 million.**
- **Small Business Jobs Credit:** The plan would also provide a **10% tax credit** for hundreds of thousands of small businesses that have at least one employee, have business income of less than \$250,000, and that file under the personal income tax. **Investment in new jobs - \$120 million. – 800,000 businesses impacted**
- **Support For Job-Creating Local Projects:** A new Tax Increment Financing (TIF) provision would help support job-creating local economic development projects-- an innovative and fiscally responsible step to free-up much-needed investment capital. **No fiscal plan impact.**





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Energy Tax Cut

Lowering Energy Costs to Create Jobs

- High energy costs are a major obstacle to economic growth, especially for energy-intensive industries like manufacturing and agriculture.
- Senate Democrats made matters worse in 2009-10 by enacting a dramatic 500% percent or \$1.2 billion hike in the 18a assessment that New Yorkers pay on their utility bills.
- **Our new Energy Tax Cut would accelerate the phase-out of this huge tax hike from 2014 to 2013.** By cutting taxes earlier than previously scheduled, we will provide a major boost to New York's economy.
- In 2011, we made real progress on energy-related issues with passage of the "Recharge NY" power-for-jobs plan, and the Power-NY Act (Article X).
- This major new tax cut will build on this progress and help create new jobs.



Direct Incentives For Each Job Created

Support for Small Businesses that Start Hiring Again

- **Hire-Now-NY Tax Incentive** – Until businesses make the key decision to start hiring again, our nation’s economy will continue to struggle. Our Hire-Now-NY proposal includes direct incentives to encourage businesses to begin expanding their workforce again. **For each new job they create, a business would get a tax credit of up to \$5,000. That credit would grow to up to \$8,000** if the job goes to someone who is currently on unemployment.
- **Hire-a-Vet Enhanced Credit** – When New York’s heroic servicemen and women return home, they should be welcomed with the promise of economic opportunity. That’s why the Senate Majority’s plan would give a tax incentive of up to **\$10,000 to any business that provides a job opportunity to a returning veteran.**



Giving Families A Break On Tuition Costs

Easing The Tuition Burden on Middle Class Families

- New York's outstanding colleges and universities have a key role to play in our job-creation efforts. They not only serve as a major economic engine, but are also the driving force in preparing young New Yorkers for the demands of a rapidly changing and highly competitive workplace.
- Unfortunately, the high cost of tuition is imposing a major burden on many middle class families.
- The New Jobs – New York plan includes a major new reform to help ensure that rapidly escalating tuition costs don't place the dreams of a quality education out-of-reach for hardworking New Yorkers.
- **This reform will peg existing tuition tax credits & deductions enacted in 2000 to the Higher Education Price Index (HEPI).**
- **The current tax deduction will increase from \$10,000 to \$13,820**
- **The maximum credit would increase from \$400 to \$553**
- This measure will produce major savings for thousands of middle class families by protecting their tax benefits from inflationary pressures.

