



Legislation Text

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Res. No. 917-A

Resolution in support of the Governor's and Legislature's efforts to reform New York State's tax code to allow for a fairer and more progressive distribution of the burden of taxation on New York City residents.

By Council Members Williams, Lander, Ferreras, Mendez, Jackson, Chin, Dromm, Palma, Mark-Viverito, James, Recchia, Cabrera, Van Bramer, Levin, The Speaker (Council Member Quinn), Wills, Palma, Vann, Arroyo, Rodriguez, Crowley and Sanders Jr.

Whereas, In 2009, New York State enacted a temporary personal income tax surcharge, commonly known as the "Millionaire's Tax" on high income earners; and

Whereas, The Millionaire's Tax was initially imposed to address the need for additional revenues to maintain necessary services and benefits the State provides during the great recession by increasing the share of the tax burden on those who are fortunate enough to make significant taxable incomes; and

Whereas, While the current Millionaire's Tax is set to expire on December 31, 2011, the State faces budget gaps for the current fiscal year of \$350 million, and over \$3 billion for the fiscal year beginning May 1, 2012; and

Whereas, Any new revenues must be used to address these gaps; and

Whereas, Without additional revenues, the most vulnerable of New York's citizens face deep cuts to vital health and social services; and

Whereas, Middle-class taxpayers are increasingly squeezed by stagnant incomes, higher cost of living, and one of the nation's highest per capita tax burdens; and

Whereas, The share of income earned by the top one percent of taxpayers in New York State is nearly as much as the share of income earned by the entire middle class; and

Whereas, On Sunday, December 4, 2011, in a letter released by New York State Governor Andrew M. Cuomo, the Governor called for "comprehensive reform" of New York's tax law, generating revenues that would bridge the immediate budget gap, and increase the overall progressivity of the personal income tax; and

Whereas, The proposal is expected to create one or more new, temporary tax brackets for high-income earners, lower the tax rate for middle-income earners, address tax loopholes and changes to business taxes, and create a commission to determine permanent new tax rates; and

Whereas, Governor Cuomo was expected to call lawmakers back to Albany as soon as this week to consider some of his proposals; and

Whereas, Revenues gained from this tax will decrease the need to cut or reduce funding to programs that many New Yorkers depend on; and

Whereas, Middle- and low-income taxpayers have been hardest hit by the economic downturn; and

Whereas, A percentage of the revenue attributable to this tax reform should be dedicated to a fund, which would be used solely for the payment of education aid to school districts and boards of cooperative educational services; now, therefore be it

Resolved, That the Council of the City of New York supports the Governor's and Legislature's efforts to reform New York State's tax code to allow for a fairer and more progressive distribution of the burden of taxation on New York City residents.

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