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THE LEAGUE
OF WOMEN VOTERS
of New York State

MEMORANDUM IN OPPOSITION TO:

S.1976A – The “Education Investment Incentives Act” (EIIA)

To: New York State Senate
Date: January 11, 2016

Subject: *Act to amend the tax law and the education law, in relation to enacting the “Education Investment Incentives Act”*

The League of Women Voters of New York State urges you to oppose the “Education Investment Incentives Act” (EIIA). The EIIA is a \$150 million measure that is skewed heavily toward private and charter schools. The EIIA primarily favors taxpayers who desire to support *private schools of their choice*. Donors would receive a tax credit worth 90% of the taxpayer's qualified contributions, UP TO \$1,000,000. There is a significant financial implication attached to this legislation; \$150 million for calendar year 2016, \$225 million in calendar year 2017, and \$300 million for each calendar year thereafter beginning in 2018. The League believes that existing charitable deductions are a more appropriate means of encouraging educational philanthropy and, by contrast, do not result in as significant a decrease in tax revenue.

In light of the Legislature’s ongoing failure to fulfill the Campaign for Fiscal Equity lawsuit’s aims, the League supports the direction of taxpayer dollars primarily toward students attending public schools in high-needs school districts. This bill does the opposite. The League believes that this bill is inconsistent with our position in favor of progressive taxation as a means of financing public education because the taxpayer dollars allocated for tax credits in the bill could be used more efficiently. Tax policy as a means of encouraging giving for educational purposes should be limited to the availability of charitable **deductions, not tax credits**. This measure also thwarts the Legislature’s collective decision-making to target tax dollars to public school students most in need. The League believes that education aid should to be allocated through a democratic and transparent legislative process.

The League of Women Voters of New York State strongly urges your opposition to S.1976A creating the Education Investment Incentives Tax Credit and any other new tax measures that support private school tuition and urge its defeat.