

Omnibus Consortium, League of Women Voters of NYS, New Roosevelt Initiative, Business and Labor Coalition of NYS (BALCONY), Alliance for Quality Education, Statewide Senior Action Council, NYSUT, AFSCME, Citizen Action of NY, TREND (Tax Reform Effort of Northern Dutchess), TaxNightmare.org, NYS Property Tax Reform Coalition, New Yorkers for Fiscal Fairness and Fiscal Policy Institute

Press Release

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**Groups Urge State Leaders to Support Real Property Tax Relief (Circuit Breaker)
Caution that 2% Hard Tax Cap Will Hurt Services in NYS
Now is the Time to Broaden the Discussion**

(Albany, NY) A diverse array of organizations from across the state assembled in Albany today to ask state leaders to rethink the 2% hard property tax cap they say is the answer to our state's property tax woes. The groups are urging state leaders to broaden the discussion to include tax relief measures that would link property taxes to individual income in the form of a circuit breaker. The groups believe that the circuit breaker is the best mechanism to relieve the burden on individual taxpayers and is desperately needed as a stop gap measure to prevent more New Yorkers from losing their homes.

They argued that the tax cap will not help the hundreds of thousands of New Yorkers that are already paying double digit percentages of their income in property taxes. They also felt that the tax cap is yet another example of Albany passing the buck to localities.

Bill Samuels, Chairman of the Carlyle Capital Group LLC and founder of the New Roosevelt Initiative stated, "The simplest solution to a problem is not always the most effective, and no decision can be made without sacrifice, but in the case of property tax relief, the answer is simple, effective, and just plain common sense. Overburdened taxpayers with limited incomes need personal property tax relief now. And woe to the politician who supports this rhetorically popular but ill-conceived tax cap when their constituents open their next tax bill and find no relief."

"The tax cap is a politically popular program that will ultimately not have the effect of providing the desired tax relief many New Yorkers desperately need," said **Betsey Swan, President, League of Women Voters of New York.**

"Let's be clear: tax caps will not lower anyone's taxes. Tax caps will not help anyone who cannot afford their current property taxes. Tax caps will not change the demand or need for local services. In fact, during these recessionary years, we have seen a strong increase in the need for government services, stated **Harriet Cornell, Chairwomen, Rockland County Legislature.** "Governor Cuomo, I support your initiative and determination, I support your leadership, but I respectfully say that any tax cap legislation on local governments like Rockland must take into account the costs we are mandated to provide by the state and federal governments and make adjustments accordingly—either by excluding all costs of programs mandated by the state and federal governments from the property tax cap equation or by providing some other form of significant mandate relief so county property taxes can pay for the programs required by our residents.

"Whatever the perceived merits of the tax cap, it will not provide property tax relief," stated **John Whiteley of the NYS Property Tax Reform Coalition.** "The biggest problem today is the individual burden faced by hundreds of thousands of New Yorkers already paying unsustainable, double digit percentages of their income in property tax. A stand alone cap will probably make their situation worse. A circuit breaker is the only measure that will really help them, and it is needed NOW. There are responsible ways to fund it, and it must be an integral part of the discussions that will be taking place on the property tax cap issue."

"The tax cap tsunami is going to wash everyone out of New York. The magnitude of constituents that are trying to sell their home is staggering. I have never seen the terror in my neighbor's eyes like I see now. There is no more time left. Albany cannot fail its people, time has run out. It is time for our leaders to lead and provide real solutions to the problems of fellow New Yorkers. A circuit breaker needs to be implemented and it needs to be implemented now. It is the only humane thing to do," said **Susan Zimet, Ulster County Legislator and CEO of Zimet Group, Inc.**

"Since 2008 BALCONY, the Business and Labor Coalition of New York, has been supportive of the Circuit Breaker approach to property tax reform in New York State. This is the most equitable way to protect middle income and working families from paying too much of their income in property taxes. At the same time, we are opposed to a property tax cap which would harm our state's students, our schools and our families. An across the board property tax cap solution doesn't work everywhere. One size does not fit all. Poorer districts would be unable to raise the revenues they need to provide the education their children deserve," stated **BALCONY Director Lou Gordon.**

Assemblywomen Deborah Glick stated, "We believe the real answer to property tax relief is a comprehensive approach to the tax burden of each person or family. A circuit breaker provides more appropriate relief than a proposed flat out tax cap".

Brian McDonnell, Legislative Director of AFSCME said, "A tax cap on local governments and school districts will result in thousands of layoffs, threaten public safety, devastate critical services and further separate the haves from the have-nots. This legislation is a short-sighted, simplistic solution that doesn't solve the problem it intends to address. It's governing by political sound bite rather than working to find real solutions to difficult problems."

"The targeting of tax relief to those with the most need based on income is a far more effective strategy than a simple cap which would also drain resources for senior programs," stated **Maria Alvarez, Executive Director, Statewide Senior Action Council.**

"Responding to the property tax crisis with a cap is like bringing a band-aid to someone who is bleeding internally. You're not going to prevent the feared outcome and you're not going to get at the root of the problem. A circuit breaker is the only mechanism that will protect *everyone* against burdensome levels of taxation and is viewed more favorably in polls than a cap. This is the course Albany should be taking if it really wants to help average New Yorkers," said **Robert McKeon, TREND (Tax Reform Effort of Northern Dutchess)**

The discredited Cap doesn't meet any need but the need for politicians to look busy. Our inequitable, chaotic tax system -which cries out for reform- has resulted in that classic moment when panicked leaders say, "Shut up and drink the Kool-aid". They promise heaven in the celestial by and by. Unfortunately, meanwhile, you're just dead...or -as in the case of the kool-aid cap- broke, busted and disgusted," said **Gioia Shebar, Taxnightmare.org coordinator.**

Karen Scharff, Executive Director, Citizen Action of NY said, "The tax cap is one more fake Albany quick fix. After severely cutting state school aid, and forcing more costs onto local property taxpayers, the Governor and Senate now want to squeeze schools from both directions by capping local taxes. And they want a cap that doesn't even have exemptions for costs that schools and local governments can't control, like rising energy and health care costs. Albany politicians want to tie the hands of local schools and governments, so that they are unable to provide the services the public wants."

"The state has a responsibility to ensure that every child receives his or her Constitutional right to a sound basic education. When that responsibility is negligently shifted to local communities due to massive state budget cuts and then even further compounded with a property tax cap this will only mean that even fewer children of color as well as children in poor districts will be further disadvantaged and denied their opportunity to learn. It is particularly troubling that the Governor has proposed a crippling cap with no exemptions for costs that schools have no control over and that by requiring a super majority vote to override Albany would be undermining the voting rights of local taxpayers," said **Nikki Jones, Alliance for Quality Education Communications Director.**

Ron Deutsch, New Yorkers for Fiscal Fairness said, "We no longer seem to be debating issues in Albany. The property tax discussion needs to be broadened. Just because the Governor believes the Tax Cap is the answer does not make it so. We must continue to look for the fairest and most equitable ways to fix our upside down tax system that takes the pressure off of the property tax and places it onto state taxes based on ability to pay.