

Press Release

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**Diverse Groups Urge State Leaders to Put Brakes on New Tax Cap Plan
Tax Caps Will Not Provide Any Relief, Will Take Away Local Control and Hurt Local Services
Property Tax groups Plan to “Elevate” the Issue – Will Ride Capital Elevators to Deliver Message**

(Albany, NY) A diverse array of organizations from across NYS will ask our elected officials to rethink the 2% hard property tax cap as the answer to our state's property tax woes. 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. Tax Caps will also limit local control and severely hamper the delivery of services in communities throughout this state. Many of the groups are also 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.

Many 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.

"A cap will not lower anyone's property tax bills, and has the potential to seriously undermine public education and emergency services, lowering home values in the process," said **Assemblywoman Ellen Jaffee (D-Suffern)**. "We must ensure reform provides actual tax relief while also protecting schools, public safety and homeowners' equity, which is why a circuit breaker isn't just a viable alternative, but truly the only viable option."

"New York State needs property tax relief now. All options need to be on the table including a circuit breaker," said **Assemblywoman Michelle Schimel**.

"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**.

"Over the years, the state has cut personal income taxes, mostly for the wealthy, the easy way, by shifting its costs to counties and their property taxpayers. Not a bad deal for Albany: the rich get a break, everyone keeps their services, and counties pay the bills. We agree this can't go on, that property taxes are too high. But a tax cap leaves them high, while mandate relief actually *lowers* property taxes. It's about time the Governor and the Legislature kept their promise: We need more than an IOU on mandate relief," said **Martha Robertson, Chair, Tompkins County Legislature**.

NYS Assessors Association Director Tom Frey stated, "The New York State Assessors' Association has long been in support of the concept of a workable circuit breaker law. The ability to ease the burden of property tax based on your ability to pay has been successfully used with the Senior Citizen exemption for many years. The problem with this exemption is that it only helps property owners over 65 years of age and pushes the tax burden to the rest of the taxpayers. With a circuit breaker that doesn't happen; the tax bill is paid in full and then a credit on your state income tax or a refund check provides the relief.

"The final question will be this: how will legislators reconcile constituent expectations for tax relief with the true cost of a tax cap that erodes the educational and economic well-being of their home districts," stated **Rick Longhurst, Executive Administrator, NYS PTA**.

"Many community members from throughout Westchester County are **OPPOSED** to the Cuomo/Skelos/Silver tax cap proposal. While we understand the need to contain taxes in New York State, we disagree with proposal's means to achieve that end. The proposal, if enacted, would severely erode public education in New York State," said **Arthur Rublin, Chair, The Coalition for Scarsdale Schools**.

"Every form of proposed property tax cap strips local governments of their ability to govern and manage to greater or lesser extent. Property tax cap legislation is unnecessary, undemocratic, unwise and unworkable in any form. State officials should stop looking for a quick headline and leave local affairs to locally elected officials and to the people who elect them," said **Anthony Solfaro, President, New York State Union of Police Associations, Inc.**

Bill Samuels, Chairman of the Carlyle Capital Group LLC and founder of the New Roosevelt Initiative stated, "While I am a big supporter of increasing productivity, streamlining state government, rational cost-cutting and controlling

property taxes over the long-term, New York will not become a top destination for corporate investment and business relocation through cuts alone. The willful decision to cut taxes for the wealthy in the budget is part of the reason this oversimplified legislation is flawed and painful. Education is the most important consideration for businesses in either deciding to relocate to New York or to stay here, and this legislation would have serious ramifications in this regard. The tax cap is ill-timed and conceived and should be tabled until later in the year, when there is more specificity on both its ramifications and on mandate reform."

"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, along with mandate relief."

"How unfortunate that desperate property taxpayers are being told that relief is coming in the form of a tax cap. Government never ceases to fail the very public they are elected to serve. How easy to offer sound bites yet how hard it will be to educate our children and provide services to our communities. Senator Bonacic (S4171) and Assemblywoman Jaffee (A7673) have offered a real solution for tax relief with a revenue stream to pay for it. However, those who by virtue of being millionaires and can afford to live in New York are being taken care of. The rest of us are deemed irrelevant," 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**.

"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**.

"A cap will only further cement a system that is criticized by most everyone and it will widen the gap between the haves and the have nots. Governor Christie of NJ learned the painful truth that taxpayers figure these things out quickly enough and his falling poll numbers reflect it," said **Robert McKeon, TREND (Tax Reform Effort of Northern Dutchess)**

"The Cap, **even with** a substantial circuit breaker, will disrupt and divide our state ...the cap **without** a substantial circuit breaker would be an unmitigated disaster...and - when the damage has been done- it will be too late for buyer's remorse. said **Gioia Shebar, Taxnightmare.org coordinator**.

"Imposing a cap on property taxes will stunt student progress, particularly in high needs districts where students are already struggling. Last month, nearly 70% of districts in poor communities failed to pass their school budgets with a super majority as required by the proposal. On the heels of the devastating \$1.3 billion cut to schools a cap will deny resources and be an impediment to on-time graduation for far too many children which will mean an even further step backwards," 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."

"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."

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