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Press Release

Contact:

Ron Deutsch, New Yorkers for Fiscal Fairness (518) 469-6769
Gioia Shebar, Tax Nightmare.org (845) 256-0082
Susan Zimet, Ulster County Legislator, (845) 527-5309
John Whiteley, NYS Property Tax Reform Coalition, (518) 585-6837
Robert McKeon, Tax Reform Effort of Northern Dutchess (TREND) (845) 399-4582
Frank Mauro, Fiscal Policy Institute (518) 786-3156

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Property Tax Reform Groups Unite! Say Cuomo Tax Cap is Not Property Tax "Relief" Urge Governor-Elect and Legislature to Support "Circuit Breaker" Relief

(Albany, NY) Property Tax Reform groups, affordable housing advocates and fiscal watchdogs from across NYS called upon Governor-Elect Cuomo to champion **real property tax relief** in the form of circuit breaker that links property taxes to income. They urged Governor-Elect Cuomo to reconsider his plan for a "property tax cap" that has failed in many other states and provides no relief to over-burdened tax payers.

The group pleaded with Cuomo and the State Legislature to support short term property tax relief in the form of a circuit breaker (the only property tax proposal that will actually provide over-burdened tax payers with relief because it links property taxes to income) and long term reform of the state and local tax relationship. Property Tax Reform advocates say the state has already taken \$1.5 billion (STAR Rebates) from local property relief in the past two years and replaced it with nothing.

"The most pressing aspect of the property tax problem in New York State is that tens of thousands of middle class taxpayers, through no fault of their own, are now paying unsustainably high, double digit percentages of their often fixed or stagnant incomes in property tax -- as much as 40% and more -- rendering them most vulnerable to being forced from their home. The property tax cap will basically do nothing to alleviate their crisis. Only the circuit breaker can provide the help they need," said **John Whiteley, Legislative Liaison, NYS Property Tax Reform Coalition.**

Susan Zimet, Ulster County Legislator said, "A tax cap is a coward's way out to deal with property tax reform and let local municipalities deal with the consequences. A cap guarantees your property taxes will increase. People who are about to lose their homes need relief not more of the same hollow promises. Albany has the power to help the taxpayers of New York and we are demanding they deliver before New York is a state filled with empty homes that our county legislators are forced to foreclose on."

"While there seems to be a question about whether the Governor himself pays property taxes, there is no uncertainty among the hundreds of thousands of New Yorkers as to whether they can afford theirs. The Governor and his staffers need to explain how a cap helps the 40% of New Yorkers who can't afford current levels of taxation. The answer is - it doesn't. With an excess of bravado and a deficit of good policy, we're beginning to wonder if Cuomo will meet the same fate as his predecessors," stated **Robert McKeon, Director, TREND NY**

The property tax is a major factor in the catastrophic shift of assets to the top 1% and away from the middle class. This ever escalating tax on a family's home to pay for shared public services -without regard to their income- deprives families of their shelter and amounts to de facto confiscation by government of all equity or hope for a future. At the same time income and estate taxes on the uber-rich have declined dramatically so the wealthiest families' share of the nation's riches has increased to dangerous percentages and if continued will increase in perpetuity until there is no middle class left. In short, ruinous taxes on our homes are paying for the bail outs and bonuses of the Wall Street chancers,” said **Gioia Shebar of Taxnightmare.org**

As someone paying FORTY SEVEN PERCENT of my income to property taxes I think I have reason to be a bit annoyed with New York State. I and many, many others are being told that in these hard economic times, when incomes are reduced, and people are tightening their belts that Albany will do nothing meaningful to help. How can Albany in any sane way expect people paying more than they can afford now to accept the status quo via tax caps. Tax Caps are an insult!,” stated **Bill Hecht, a retired Farmer and Property Tax Reform advocate from Cayuga County.**

The Circuit Breaker advanced by the Coalition would also include renters throughout the state that are paying very high percentages of their income in rent. **Victor Bach, Senior Housing Policy Analyst, Community Service Society said,** “Unaffordable housing costs are a statewide problem for the 1.3 million low-income New York families who rent. In 2005 the average low-income renter earned \$12,000 a year and paid 57 percent of income for rental costs. We need to understand that rising property taxes inflate both rental and homeownership costs. Capping property tax increases doesn’t answer the housing affordability crisis. It won’t help those who can’t afford to keep their homes now. What is needed is a Circuit Breaker that will target property tax relief, based on income, to those who really need it.”

“Many states have had miserable experiences with property tax caps and many are less stringent than the one proposed by Governor-Elect Cuomo. Tax caps make a nice sound bite but they are not sound policy. The Cuomo Cap would institutionalize the current inequities in school funding, provide no relief to people who can’t afford their taxes currently and do little more than guarantee that property taxes will continue to rise. They also will have the double whammy of limiting how much districts and municipalities can levy at a time when Cuomo is seeking major cuts in state funding to education, healthcare and AIM payments. It’s as if he is creating the perfect storm to decimate the services that so many New Yorkers rely on,” said **Ron Deutsch, Executive Director, New Yorkers for Fiscal Fairness.**