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Press Release

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Property Tax Reform Groups respond to SOS Governor Cuomo-Right on Property Tax Wrong on Tax Cap

(Albany, NY) Property Tax Reform groups, affordable housing advocates and fiscal watchdogs from across NYS called upon Governor Cuomo to champion real property tax relief not "rhetorical solutions." They urged Governor Cuomo to abandon his plan for a "property tax cap" that has failed in many other states and provides no relief to over-burdened tax payers.

The Governor highlighted Geraldine Sullivan, an 81 year young resident of Monroe County, retired and living on Social Security. She has seen her home value go down and her property taxes go up. She can't afford to make ends meet so she went back to work as a lunch monitor. Regrettably there are hundreds of thousands of Geraldine's in NYS. The problem with this example is the Governor's solution (tax levy cap) will only ensure that her taxes continue to rise. As a result of the tax cap she may also lose access to her senior center, meals on wheels and other services she may be relying on. She is also likely to lose her job as lunch monitor under the cap. The only way to help Geraldine is to pass a circuit breaker that will limit her taxes to an affordable percentage of her income. That is the only way to help Geraldine!

"We applaud Governor Cuomo's expression of concern over high property taxes and his recognition that many families can no longer afford to pay them," **said John Whiteley of the NYS Property Tax Reform Coalition.** "However, we are disheartened that he appears to believe a property tax cap will somehow make them more affordable for the families he describes. The reality is that a tax cap will ensure that taxes will continue to rise -- making them even LESS affordable -- and since the tax cap does not actually cap one's tax bill, many will find their individual increase substantially higher than the nominal cap percentage. We hope the Governor will recognize that only a middle class circuit breaker can cap, and actually reduce, the property tax burden of those most at risk of being forced from their homes, and that that is the measure most urgently needed at this time."

Gioia Shebar of Taxnightmare.org states, "I was surprised by the State of the State address of our brand new governor elected to dispel the miasma of failure that hangs like a fog over state government. Instead of inspiring us with new ideas, he contrived to hitch his star to a shopworn and discreditable concept of relieving the burden of confiscatory property taxes from middle

class families by instituting a tax levy cap, which will only continue to raise these *already* insupportable taxes. Even more unfathomably -as he acknowledges the devastation of the middle class from property taxes - he proposes to remedy the tax burden by removing (unsolicited) an income tax surcharge from the super-rich who are not burdened in any way, shape, or form by any kind of tax at all! There's still time to start over. No shame in that. Everybody gets one Mulligan."

"We need to fix our upside-down tax system. It is not enough to simply say taxes are too high. Who are they too high for? The Wealthy? Middle Class? We have an opportunity this year that we must not squander." **said Ron Deutsch of New Yorkers for Fiscal Fairness.** "Rather than letting the income tax surcharge on the wealthiest expire - we should keep it in place and use that revenue to fund a real property tax circuit breaker for struggling working/middle class families in New York State. The Governor has clearly articulated the problem - unfortunately he is proposing the wrong solution."

"Maintaining the income tax surcharge on the wealthiest New Yorkers would provide needed revenue, allowing Governor Cuomo to create a more fair tax system and provide real property tax relief to working New Yorkers through a circuit breaker," **states Rachel Estroff of Westchester for Change**

"If more than 4 out of every ten New Yorkers pay an overwhelming amount of their income towards property tax, why would they welcome a levy cap that does nothing to help them. Income and sales taxes have percentage limitations - we need one for the property tax. It's called a circuit breaker and it will solve so many of our issues all at once," said **Robert McKeon, Director of TREND NY.** "After nearly 30 years of a levy cap, Massachusetts families *average* 3.2% (property tax as a percent of income) instead of 3.5% - not a huge difference. They have higher "fees", lower services and the same unfair, unprogressive property tax system. Maine instead should be the role model with their 5% (of income) circuit breaker that will protect all of their citizens from excessive burdens."

Susan Zimet, Ulster County Legislator said, "Talking about the hollow promise of a tax cap to solve the excruciatingly painful property tax problem is the same rhetoric he speaks against. The Governor states that we need to reform government and that it is going to take political courage. He is right. But the courage comes in doing the hard work to provide real solutions, not continuing the failed policy of passing the problems down to the local elected officials. A tax cap is passing the buck while pretending to have done something. Governor Cuomo is promising change. Here is his chance to change his mind and stop pushing a proven policy that has failed so many states and the taxpayers directly."

