

# Omnibus Consortium Omnibus Consortium

*Press Release*

**For Immediate Release**

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**Contact:**

Ron Deutsch, New Yorkers for Fiscal Fairness (518) 469-6769

Frank Mauro, Fiscal Policy Institute (518) 786-3156

Gioia Shebar, Tax Nightmare.org (845)256-0082

Susan Zimet, Ulster County Legislator, (845) 527-5309

John Whiteley, Legislative Liaison Officer, NYS Property Tax Reform Coalition, (518) 585-6837

Robert McKeon, Tax Reform Effort of Northern Dutchess (TREND) (845) 399-4582

## **Senate and Assembly Members Show Bi-Partisan Support for Circuit Breaker Foreclosures, Tax delinquencies and Unemployment at Record Numbers Residents Need Property Tax Relief NOW!**

(Albany, N.Y.) — Members of the Senate and Assembly joined with the Omnibus Consortium, a coalition of property tax-reform groups, fiscal watchdogs, and NYSUT, to urge the passage of a property tax circuit breaker this session. The property tax circuit breaker has been advanced in both houses of the legislature and has bi-partisan support from members of both the Senate and Assembly. The Circuit Breaker bill has been advanced by Senator Liz Krueger (S4239) and Assemblymember Steven Englebright (A8702) in an effort to deal with crushing property tax burdens for many families in New York State.

"New York State needs responsible and progressive property tax relief that is targeted to those who need it most. A progressive property tax circuit breaker program is the best way to achieve this, by taking a taxpayer's income and total tax burden into consideration to calculate meaningful tax credit that provides real tax relief. I am proud to be the lead sponsor of this bill and to see that so many of my colleagues from both houses and both parties are working together to make this the law," **stated Senator Liz Krueger.**

"Now more than ever, New York State residents need relief from property taxes that are disproportionately high in comparison to their income. This legislation will offer citizens the potential to regain a sense of fairness regarding their real property tax obligations and renew optimism for their financial future," said **Assemblymember Steven Englebright**, 4th District.

A property tax circuit breaker would help those most in need, particularly seniors on fixed incomes," said **Senator Betty Little.** "It is simply wrong that someone should have to sell their home because they can't afford the taxes anymore," said Little. "We have a lot of bipartisan support for this legislation. Given the elimination of the STAR rebate check, the time to do something is now.

**Steve Allinger, Legislative Director for New York State United Teachers (NYSUT)** said that, "This proposal provides real tax relief to those families that need it the most. It's not some politically popular gimmick but, rather, meaningful public policy that's going to help real people."

"New York State is facing record high unemployment, more foreclosures than ever before, and county treasurers are reporting higher tax delinquency rates as a result of the recession. A property tax circuit breaker is the only mechanism that can address this problem and help residents that are having problems paying their property taxes," said **Ron Deutsch, Executive Director of New Yorkers for Fiscal Fairness and coordinator of the Omnibus Consortium.** "We

should view this legislation as both responsible property tax relief and an economic recovery tool to help people remain in their homes."

"The Taxpayers of the State cannot wait for the internal politics of the Senate to play itself out. People are losing their homes. The Omnibus Consortium has worked diligently for a year to bring forward meaningful property tax relief and reform. We applaud those who have lent their name to our bill. We are counting on them to have it passed and in front of the Governor for his signature this year," stated **Ulster County Legislator Susan Zimet**.

"The state has an obligation to protect its citizens against overly burdensome taxation - that can only be accomplished by instituting this important safeguard. Long before Albany's current power struggle, lawmakers failed to consummate a deal that would provide effective property tax relief for their constituents. Passing this circuit breaker legislation would be an important step to demonstrating genuine leadership and responding to the will of the people. (*TREND NY Poll Says New Yorkers Prefer Circuit Breaker Over Cap - June 24, 2008*) said **Robert McKeon, Director, TREND NY** [www.trendny.org](http://www.trendny.org)

**John Whiteley of the NYS Property Tax Reform Coalition** and a longtime advocate for property tax relief and reform commented, "This cost-effective, fiscally responsible bill will finally provide meaningful, targeted relief that can help save the homes of tens of thousands of our most overburdened residents, those whose property tax bill nowadays consumes an unsustainably high, double digit percentage of their incomes. It needs to be enacted THIS SESSION. Taxpayers desperate for the relief this bill will provide should not be held hostage to an elusive consensus on other, more complex and controversial proposals."

**Jennifer March-Joly, Executive Director of the Citizens Committee for Children** stated that, "Property taxes are passed along from landlords to tenants in rent, saddling many households with rent burdens that consume an increasing portion of income. With almost half of all New York renters - both city and state - paying more than 30 percent of their income on rent, including renters in property tax relief is the fair and equitable thing to do."

Now is the time to provide needed relief and to help those thousands of New Yorkers who have lost their jobs but still have property taxes to pay.

The bills (S4239 and A 8702) would provide much needed property tax relief to middle income tax payers and would be phased in over a period of 4 years in recognition of the state's precarious fiscal situation. The consortium supports this circuit breaker because it contains several important components including:

- providing enough property tax relief to keep people in their homes (i.e., at least 70% credit of the amount by which a household's property taxes exceed the a reasonable percentage of the household's income);
- covers all local property taxes (not just school taxes);
- include renters who also pay property taxes but through their rent ; and
- does not have different rates for downstate and upstate. People with the same income and the same property tax bill should get the same amount of relief whether they live in Long Island or in an upstate community.

During the last two years, Legislators, local real property tax reform groups and fiscal watchdogs have been successful in making the idea of a middle class circuit breaker a front burner issue in New York State government and politics. Large portions of the public understand what a circuit breaker is, and polling shows there is broad public support for the idea of a middle class circuit breaker as a way to deal with situations in which homeowners are significantly overburdened by their property taxes. It is important that New York policymakers seize this opportunity to phase in an effective middle class circuit breaker. But it is equally important that they adopt a long term strategic approach to moving a significant amount of costs from the local to the state levels in a way that achieves true tax reform.

Members of the Omnibus Consortium have been working together over the past 11 months on legislation that would reform the property tax system to provide immediate relief to overburdened homeowners through creation of a

property tax circuit breaker — with the long-term goal of creating a fair and equitable tax system by shifting costs from the local level to the state.

Omnibus Consortium Members

Susan Zimet, Ulster County Legislator- Chair Ulster County Blue Ribbon Commission on School Funding and Tax Reform (Ulster BRC) and Property Tax Agenda

Rich Gerentine, Ulster County Legislator, Ulster BRC

John Whiteley, Tri-County Tax Reform, NYS Tax Reform Coalition

Roberta Whiteley-Tri County Tax Reform, NYS Tax Reform Coalition

Robert McKeon-TREND (Tax Reform Effort of Northern Dutchess County), Tax Reform Coordinator

Bernetta Calderone- Taxnightmare Coordinating Committee- Women's Issues Leader for Corrections Dept., Ulster BRC

Tara O'Connor-Alisse, Taxnightmare.org Coordinating Committee -Ulster BRC

Sam Davis, Putnam Reform Group, Taxnightmare.org Coordinating Committee

Gioia Shebar- Coordinator, Taxnightmare.org, Ulster BRC

Bill Hecht- Cayuga County Property Tax Reform Coordinator

Frank Mauro, Fiscal Policy Institute, author of the Omnibus Property Tax Relief and Reform Bill

Ron Deutsch, New Yorkers for Fiscal Fairness, Omnibus Consortium Coordinator

Melinda Person, NYSUT

Billy Easton, Alliance for Quality Education

Ellie and Bill Trumpbour, N.Y. Farm Bureau

Jason Angell, Center for Working Families

Victor Bach, Community Service Society

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