

Omnibus Consortium Omnibus Consortium

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Governor Cuomo and Senate Right on Property Tax Crisis - Wrong on Tax Cap

(Albany, NY) Property Tax Reform groups and fiscal watchdogs from across the state called upon Governor Cuomo and the Senate to champion real property tax relief not “rhetorical solutions.” They urged Governor Cuomo and the Senate to reconsider their plan for a “property tax cap” that has failed in many other states and provides no relief to overburdened tax payers and replace it with a circuit breaker.

The Governor, in his State of the State, highlighted Geraldine Sullivan, an 81 year young resident of Monroe County, retired and living on Social Security, as an example of someone that needs help with their property tax burden. 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 and Senate'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 and the Senate for their expression of concern over high property taxes and their 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 they appear to believe a property tax cap will somehow make them more affordable for the families in this state. 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 and the Senate 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 Governor and Senates efforts to deal with our state's property tax crisis. Instead of inspiring us with new ideas, they contrived to hitch their 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."

"The proposals put forth by the Governor and the Senate today will not 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 and Senate have clearly articulated the problem - unfortunately they are proposing the wrong solution."

"If more than four 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 family's average property tax as a percentage of income dropped a fraction of one percent- 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 and Director of the Zimet Group said, "Talking about the hollow promise of a tax cap to solve the excruciatingly painful property tax problem does a disservice to New Yorkers. A tax cap is passing the buck to the local level while pretending to have done something. A circuit breaker is the only mechanism that will provide relief to the hundreds of thousands of New Yorkers at risk of losing their homes and fleeing the state."



Bill Hecht is farmer from western NY that pays 46% of his income in property taxes. He needs relief - not a "smaller" increase in his property taxes.