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Groups Support Property Tax Relief Circuit Breaker Advanced by Assembly and Governor

Urge Senate to NOT Resurrect the Flawed STAR Rebate Checks

Legislators and advocates joined together to support the Assembly and Governor's (with minor modifications) version of the Property Tax Relief Circuit Breaker. The Senate Majority, in their one house budget bill, has decided to resurrect the STAR Rebate checks that were rightfully laid to rest in 2009.

The groups want to make sure that property tax relief is targeted to those that need it the most and suggest that the last thing NYS requires is another rebate check that goes to everyone regardless of need.

"The Property Tax Relief Circuit Breaker is the kind of smart, targeted policy that provides a break to those who need it most, while maintaining fiscally responsible revenue levels. I'm proud to stand with the Fiscal Policy Institute, the Omnibus Property Tax Consortium and others to support the proposals from Governor Cuomo and the Assembly, and to call for a few common-sense modifications to make the plan even more equitable," said **Senator Liz Krueger**.

"This legislation adds progressivity to property tax relief, ensuring that the most over-burdened property taxpayers will get relief quickly," stated **Assembly member Steve Englebright**.

"We applaud the Governor and the Assembly for putting forward rational property tax proposals that target relief to struggling homeowners. We hope the final budget will include the governor's proposal with the minor modification made by the Assembly. Our organization believes we should not make property tax relief conditional on factors outside the homeowner/renters control, therefore we strongly recommend that the "circuit breaker" not be linked to compliance with the tax cap," said **Ron Deutsch, executive director of the Fiscal Policy Institute**.

"Circuit breaker programs are the best way to provide relief to those New Yorkers most burdened by property taxes because benefits are conditioned on income," said **Elizabeth Lynam, Vice President & Director of State Studies, Citizens Budget Commission**.

“The League of Women Voters has been vocal in its opposition to STAR, but that does not mean we oppose appropriately structured property tax relief. We favor a single approach: a circuit breaker targeted to those individuals with a limited ability to pay. We don’t believe that property tax relief should subsidize every empty nester in the state, despite the pressure on legislators to do so,” said **Dr. Marian A. Bott, Education Finance Specialist**, New York State League of Women Voters.

"The Working Families Organization has long called for the implementation of a property tax circuit breaker. We believe that tax relief should be targeted to those that need it the most and the Circuit Breaker advanced by the Governor and the Assembly is the most logical way to deliver that relief to struggling homeowners. We urge the Senate Majority to support this proposal rather than bringing back STAR Rebate checks that were an ineffective mechanism to deliver any meaningful tax relief," said **Edward Rush, NY Legislative Director, Working Families Organization**.

Elizabeth McNichol, Senior Fellow at the Fiscal Policy Institute and author of the attached policy brief noted, “Many individuals and families in New York pay an unreasonably large share of their income in property taxes because the amount of tax owed is not tied directly to a household's ability to pay. The proposed property tax "circuit breaker" would provide much-needed relief to low- and moderate-income New Yorkers.”

" As the Town Supervisor of New Paltz, I personally see the devastating impacts the property tax has on my constituents and neighbors. The Circuit Breaker is the only answer to help people keep their homes in the short term. A property tax rebate that delivers a couple of hundred dollars to some one already paying too much of their income in property tax, helps no one. Only a serious rebate in the thousands delivered by the circuit breaker will help to save the homes of our fellow New Yorkers! The Omnibus Consortium has been advocating for this policy for over 7 years. We cannot thank Governor Cuomo enough for putting the funds for this important property tax policy into his budget and the Assembly leadership for supporting this. We can only hope that the State Senate will do the right thing for their over burdened homeowners and renters. True property tax relief is now squarely on the shoulders of the State Senate," said **Susan Zimet, New Paltz Town Supervisor**.

"Long overdue, the circuit-breaker mechanism is a substantial step in the right direction to restore fairness and contribute to economic recovery. The Governor has promised and delivered with a legitimate proposal that begins to take into account income when determining how much any one household should be asked to contribute. We enjoy protections from excessive taxation with income tax brackets and sales tax percentages, but no such protection exists with the property tax - which now levies over \$50 billion here in NY against the American dreams of home ownership, small business and employment opportunities,” said **Robert McKeon, Executive Director, TREND**. “The Assembly has rightfully eliminated the requirement for jurisdictions to be cap compliant. All New Yorkers deserve to be treated equally, regardless of what their local elected and appointed decision makers are able to accomplish or not. We’re hopeful that the Senate will come on board and that we can finally deliver what Albany continues to assert in years past - meaningful tax relief.

"We are grateful that the Governor has proposed a substantial circuit breaker, further demonstrating his sensitivity to the unreasonable burden the archaic and inherently inequitable property tax continues to impose on so many New Yorkers," said **John Whiteley of the NYS Property Tax Reform Coalition**. "As we have been advocating for many years, a meaningful circuit breaker is an essential element of any property tax relief and reform program. While a bit less than we have proposed, the figures included in the Governor's bill for the first time target real help to those lower and middle income New Yorkers most overburdened by their property taxes and arguably at greatest risk of being forced from their homes and their state. We also thank the Assembly for its endorsement of the bill and for recommending what we consider an important improvement which would enable deserving residents to receive the circuit breaker even if their local governing entity overrides the property tax cap -- a decision these individuals will often have no control over. "Finally", Whiteley went on, "speaking personally as a Republican and on behalf of our Coalition, I deeply regret that the Republican Majority in the Senate continues to try to stymie longstanding efforts to implement this important program, in contrast to the significant bi-partisan support we have seen in the Assembly."