



**A message from
Assemblywoman
SANDY
GALEF**

**Everything you always
wanted to know about
New York State taxes***

***BUT WERE AFRAID TO ASK.**

JUNE 2012

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Dear Constituent,

We have made significant progress over the last two years in Albany, dramatically improving the process by which we produce a state budget. During the past few months, we debated the budget bills in joint conference committees and after careful consideration, reached bipartisan agreement before the April 1st deadline. This is the first year I can remember that I was able to be back in my district on March 31st to attend such local events as the Putnam Valley Volunteer Fire Department Dinner and a ribbon cutting for the Arts on the Lake - Lake Carmel Arts Center grand opening.

Another reform highlight in the budget was that it did not include any new discretionary legislative spending (member items) for a third year in a row, saving the state \$200 million annually. We also continued to find more efficient ways to govern by consolidating technology and data systems across departments. These practical approaches helped us address our projected \$3.5 billion deficit, which still was not easy coming on the heels of last year's \$10 billion deficit.

With reform, consolidation, and bipartisan compromise, we were able to bring in an on-time budget and stay within a self-imposed two percent spending cap. While our process is not yet perfect, we are certainly moving in the right direction.

On June 7th, I invite you to join me in welcoming our Commissioner of New York State Taxation and Finance, Thomas Mattox. You will have a chance to hear how we have cut taxes over the last few years, including reductions to income taxes, sales tax roll-backs, and a property tax cap. We will also discuss changes on the horizon for the STAR program. I encourage you to come with any questions you have ever wanted to ask our state tax commissioner.

As always, I encourage you to share your opinions with me in the questionnaire on the back of this newsletter so I may then share them with my colleagues and use your thoughts to guide me in making decisions that fairly represent you in Albany.

Sincerely,

**Assemblywoman Sandy Galef hosts
Everything you always
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New York State Commissioner of Taxation and Finance
Thomas Mattox visits the 90th A.D.

**Thursday, June 7, 2012
7:00 p.m. – 9:00 p.m.**

**Cortlandt Town Hall
1 Heady Street, Cortlandt Manor**

Come join Sandy to learn about the work of this important Department, including its focus on supporting compliance through more effective taxpayer services, recent changes to tax rates and programs, STAR exemptions, property assessments, and to ask questions about issues that impact New Yorkers as individuals and business owners.



Thomas H. Mattox, Commissioner

Thomas H. Mattox has served as Commissioner of the New York State Department of Taxation and Finance, since January, 2011. Mr. Mattox previously worked at Goldman Sachs & Co., where he served as a Managing Director and Global Head of Operational Risk Management.

Hydrofracking Screening

The first two screenings of video footage from my trip to Bradford County, PA were so well received that I am having another viewing at Kent Library in June. I traveled to Pennsylvania in February to find out more about the impact of hydraulic fracturing for natural gas on the communities there and what we could learn for New York. If you have not yet had a chance to see this, and would like to learn more and share your thoughts about hydrofracking, please join me at the **Kent Public Library, 17 Sybil's Crossing, Kent Lakes on Saturday, June 16th from 1-3pm**. If you are not available to attend, I will be posting a link to the movie on my Assembly web page.

New York State Budget Highlights

The 2012-2013 NYS Budget passed before the April 1st deadline for the second year in a row. In this year's budget, we stayed within a 2% self-imposed state tax cap. The budget supports local communities, businesses, schools, and libraries while being fiscally responsible during this tough economic period. Below are highlights of what we included in this new budget.

- We increased state aid to school districts by 4%, equivalent to an \$805 million increase, for a total of \$20 billion in state education spending. Specifically in the 90th Assembly District, schools received over \$6 million in total additional aid. School district aid varies due to changes in school enrollment, transportation costs, and other expense driven factors.
- \$3.9 million in additional funds was allocated to libraries, part of which represented a reimbursement for the MTA payroll tax.

County	Elimination	Reduction by 67%	Reduction by 33%
Putnam Businesses	2,167	19	15
Westchester Businesses	25,027	318	194

In December we eliminated the MTA payroll tax for qualified small businesses and self-employed residents, and reduced it for other larger businesses. The following table shows the number of local small businesses who will no longer have to pay the MTA payroll tax, or will have the MTA payroll taxes reduced.

- \$500,000 was allotted to help with the development of a local veterans' cemetery in Putnam County. The Federal government must now approve the funding for the entire project and Putnam County must decide if it wishes to operate the proposed cemetery and agree upon an appropriate location.
- We also enacted pension reforms for public employees in this budget. Future employees will make additional contributions to their pensions, the amount of overtime that can be used to calculate final pensions will be capped, and the retirement age will be raised by one year. These reforms are projected to save local and state governments \$80 billion over 30 years. Savings for Putnam County are anticipated to reach \$5,765,088 within the next five years, and \$371,695,410 within the next thirty years, while savings for Westchester County are predicted to reach \$75,475,257 in the next five years and \$4,929,878,230 within the next thirty years, based on information from the Governor's office.
- In this budget, we merged the Division of Lottery and the Racing and Wagering Division to create a New York State Gaming Commission, and eliminated 25 boards and commissions that are no longer active.
- We allocated \$9 million to finance the Homes and Community Renewal mortgage foreclosure counseling services. Additionally, the Department of Financial Services will create the Foreclosure Relief Unit, which will provide counseling and mediation services to help promote foreclosure prevention.

We included in the budget a sales tax exemption of 4% on all clothing, footwear, and related items costing \$110 or less per item for the entire year.



In April, I took my granddaughter shopping at Groovy on Grand in Croton to highlight the sales tax relief for clothing under \$110.

- New York State will now begin to pay Medicaid administrative costs, which are currently paid by counties. The change will occur gradually starting in 2013. By 2016 the State will pay all of the administrative costs associated with Medicaid. By eliminating this unfunded mandate, we will save counties \$1.2 billion dollars over the next five years.
- The State budget initiated the New York Works Program, with \$1.2 billion in State and Federal funds so we can accelerate the repair of our bridges and roads. These funds are in addition to the \$1.6 billion already allocated this year for a core transportation capital program for roads and bridges.
- We maintained the Environmental Protection Fund at its current level of \$134 million. An additional \$89 million in funding will help us rehabilitate state parks.
- I am pleased to report that all public and private elementary and secondary schools are now exempt from the MTA payroll tax.
- We restored \$30.6 million to the EPIC prescription drug program. This will allow eligible seniors to pay no more than \$20 co-payments per prescription for approved drugs starting in January 2013.

In December, we passed a bill which the governor signed, creating new income tax rates for New Yorkers. These new rates result in an income tax reduction for 4.4 million people, 99% of all filers, for a total tax cut of \$690 million for middle class taxpayers. This is the lowest tax rate in New York in 58 years. This new structure will generate \$1.9 billion in additional revenue for the State. Below are the new rates:

Income Level	Previous Tax Rate	New Tax Rate
\$40,000 to \$150,000	6.85%	6.45%
\$150,000 to \$300,000	6.85%	6.65%
\$300,000 to \$2 million	7.85% - 8.97%	6.85%
Over \$2 million	8.97% (By law was to sunset in 2011)	8.82%

Other Significant Legislation as of April 2012



I joined the Governor and my legislative colleagues in Westchester for a ceremonial signing of the state budget. I was pleased to have Governor Cuomo sign our state budget bill in Westchester, celebrating our second year in a row of an on-time budget that stayed within our self-imposed 2% tax cap.

DNA Databank Expansion

This new law, which we passed in March, creates a DNA databank to help solve crimes while protecting the innocent. DNA samples will be collected from anyone convicted of a felony or penal law misdemeanor. This will allow DNA evidence collected at future crime scenes to be tested against the databank to help solve crimes and prosecute criminal offenders. The law will also significantly expand a defendant's access to DNA testing, both before and after prosecution, depending on the circumstances, to help those wrongly convicted of crimes to prove their innocence.

Casino Gaming Constitutional Amendment

In my January 2012 newsletter, 68% of responding constituents supported legalizing casino gambling in New York. A constitutional amendment allowing casino gaming has now passed the legislature. The current agreement allows for no

more than seven casinos statewide, but will allow New York to compete with surrounding states for the economic benefits casinos bring. This constitutional amendment must be passed again in the next legislative session, beginning in January 2013, and subsequently must be passed in a voter referendum.

Independent Redistricting Constitutional Amendment

I am so pleased that a constitutional amendment has finally passed the legislature. This amendment would create an Independent Redistricting Commission for future redistricting processes. I have long advocated for an independent commission to remove legislators from this often partisan and self-preserving process. This constitutional amendment must be passed again in the next legislative session, beginning in January 2013, and subsequently must be passed in a voter referendum.

Special Celebrations



This year, Girl Scouts celebrated 100 years of scouting. In February, I attended a Girl Scout Gold Ceremony with the Croton Girl Scout Troop 1234. As a long-time girl scout myself, it has been an honor to join local girl scouts such as these young women (from left), Sarah Holder, Ashley Latimer, Elise Duva, and Margaret Livingston, who have dedicated their time to helping others.



Sandy gives a proclamation to Tom Pasquel, President of Ossining's Washington Hook and Ladder Company Number 2 in recognition of its 200th anniversary.



It was wonderful to join my colleagues and friends in Kent for the ribbon cutting at Arts on the Lake in Lake Carmel. Photo credit Chris Casaburi.

Assemblywoman Sandy Galef's Constituent Questionnaire

(Room for two respondents)

If you would prefer to respond to this questionnaire online, please go to the "Important Links" tab on my Assembly Web Page at <http://assembly.state.ny.us/mem/Sandy-Galef/story/47812/>

1. Do you support a partial public financing of state legislative campaigns, as happens in New York City, full public financing, as in Maine and Connecticut, or no public financing of campaigns?

Partial Full None

Partial Full None

2. Should the legislature expand voter registration efforts by allowing people to register on the internet to vote?

Yes No

Yes No

3. There is currently a proposal, supported by public school districts, to allow these districts to limit transportation to private schools from the current 15 miles down to 7 miles. Would you support this proposal to reduce private school bus mileage distance if it could save taxpayers money, but make it harder for taxpaying private school parents to get their children to schools of their choice?

Yes No

Yes No

4. Should school districts be allowed to place savings they realize throughout the year into a reserve fund to guard against large spikes in taxes due to unusual health claims and/or pension related costs?

Yes No

Yes No

5. Should the legislature pass a law that would ban the use of tanning machines by those under the age of 18? Currently the law allows those 14-18 to use the machines with parental consent.

Yes No

Yes No

6. New York is one of only two states that still charges sixteen-year-olds as adults in criminal court. Should we change the law to only treat those eighteen years and older as adults in criminal proceedings?

Yes No

Yes No

7. Do you believe that all properties in New York should be reassessed once every four years?

Yes No

Yes No

8. Legislation has been introduced which would make medical use of marijuana legal in New York. Does it concern you that, if legalized, this product might be easier to access by those for whom it is not medically indicated?

Yes No

Yes No

9. With the enacted federal healthcare reform legislation being challenged in the courts, do you believe New York should be looking towards implementing a single payer health care system where everyone would be insured through the state, as they are in Canada?

Yes No

Yes No

10. Should we allow Mixed Martial Arts in New York?

Yes No

Yes No

Email Address 1: _____

Email Address 2: _____

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