



Statement Regarding the New York State Joint Legislative Budget Hearing on Taxes

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New York, NY – February 16, 2022 - Citizens Budget Commission (CBC) President Andrew S. Rein released [this statement](#) on behalf of the CBC:

“The Fiscal Year 2023 Executive Budget continues last year’s tax increases, which gave New York the highest combined top personal income and corporate tax rates in the nation. Receipts from these taxes help the budget throughout the financial plan, which accounts for the business tax increase sunset after 2023.

Ultimately, having the highest tax rates hamper the State’s economic competitiveness, undercutting New York’s ability to retain and attract residents and businesses, especially those who pay a significant share of the State’s taxes. New York’s share of the nation’s millionaires declined 22 percent from 2010 to 2019 and the tax increases could further chip away at the tax base, which is crucial to funding education, Medicaid, and other public services. The growing reliance on personal income tax receipts also increases the volatility of the State’s tax base, which is now subject to greater shocks and revenue losses in the event of a future recession.

To promote the State’s long-run competitiveness and stabilize its fiscal foundation, the enacted State budget should allow the business tax increase to sunset and should restrain spending to allow the personal income tax increase to sunset sooner or at least as scheduled.”