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STATEMENT ON NEW STATE BUDGET

New York: “A #1, King of the Heap” for the wrong reasons!

In most instances, being Number One is a good thing. Unfortunately, being Number One in terms of having the highest state taxes in the nation is a major exception. And as expected, that’s where New York finds itself following the passage of the new \$212 billion State Budget, an all-time record, and 10% higher than last year’s budget. As they lyrics of the anthem “New York, New York” boast: “We’re A #1, King of the Heap.” In this case that can only spell trouble for our State in terms of attracting and retaining businesses.

Over the last year the BCW has repeatedly warned of the dire consequences of over taxation and spending beyond our means. Our 2020 and 2021 legislative agendas called for restraint in raising taxes. Further, with \$23 billion in Federal stimulus funding coming, there was no need to raise taxes. The legislature and ultimately the governor chose to ignore the warnings from us and virtually every business organization in the state.

New York has been and remains a unique and great state. As we pull out of the Pandemic, we can only continue to urge our state leaders to remember that it’s the businesses and the taxpayers who provide the funds that state spends. And there is a breaking point that imposing the nation’s highest taxes will put to the test.

While for some of our legislators this may be an inconvenient truth -- businesses and residents can and do relocate to lower cost, business friendly states. Moving forward, the issue of high tax and spend policies must become a far greater part of the dialogue and debate in Albany. We fail to do so at our own and our state’s economic peril.