

## Semi-tough talk

**Editorial Staff**

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Gov. David Paterson last week warned legislators they would have to make some tough decisions to close the burgeoning \$2 billion state deficit when they return to Albany in a few months.

“As California found out, if you don’t make the tough decisions now, they just wait for you and they double impact on what is (a) deteriorating state revenue forecast ... I think we’ve raised enough fees, and I think we’ve raised enough taxes,” Paterson said, as reported by the New York Daily News. “Legislators are going to have to be prepared to make some very tough decisions.”

The National Federation of Independent Business, Unshackle Upstate, Long Island Association and Westchester County Association liked what the governor said.

In a prepared statement, the coalition said: “We were encouraged by Gov. Paterson’s admonition ... The record tax and fee increases included in the budget enacted in April were a mistake, and to repeat that mistake would worsen our fiscal condition, not improve it.”

However, the rhetoric reminded us of the tough love speech the governor gave in his first State of the State address early this year.

Harking back to the FDR administration, Paterson said this was no time for fear, but a time for action. Just as Americans were burdened by the Great Depression, Paterson said, “This year, a new generation of New Yorkers will be tested. Now, it is our time to lead.”

To attract new companies to the state, the governor suggested lowering the cost of doing business here.

“Property taxes are too high. We should cap them. State mandates are too burdensome. We should relieve them.”

But as we now all know, those statements rang hollow.

The Democratic-controlled Legislature did little to help business in the state, such as capping property taxes. Instead, traditional backroom politics were employed and a deplorable \$131 billion state budget laden with 52 new fees and taxes was passed.

To add insult to injury, more pain was inflicted than ever before on businesses in the Hudson Valley.

The outrageous MTA bailout is costing businesses in Westchester, Rockland, Putnam, Dutchess and Orange counties 34 cents in new taxes per \$100 of payroll.

An abridged recap of Democratic actions – eliminated the STAR rebate program, invoked a “temporary” three-year personal income tax increase on high-income taxpayers, eliminated all itemized personal income tax deductions except for charitable deductions for high-income taxpayers, imposed a sales tax on limousine companies, increased tax rates on beer and wine – shows they did little to help the state.

The coalition of business groups cited above said the state cannot continue to embrace its spend, spend, spend mindset:

“New York state government needs to do what small-business owners do when their revenues are down: spend less. New York needs to grow its way out of this economic downturn and deficit. Raising taxes is not the answer, particularly in a state whose tax burden already leads the nation; cutting and controlling spending and advancing policies that will allow small businesses to create jobs and our economy to grow is.”

As we have pointed out on these pages before, state lawmakers are not representing the best interests of the people of New York.

The main focus of the Legislature when it returns to Albany should be on retaining and attracting business, before it is too late.