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FOR IMMEDIATE RELEASE: Tuesday, January 28, 2003 Contact: Corey Bearak (718) 343-6779

# **QUEENS CIVICS PROPOSE \$2 BILLION IN NEW CITY REVENUES**

The Queens Civic Congress, a borough-wide coalition of more than 100 civic, condo, cooperative and tenants associations, today outlined \$2 billion in revenues to help reduce the City's structural deficit. The Queens Civic Congress plan, announced by QCC President Sean M. Walsh, calls on the City of New York to adopt two measures that better reflect taxpayer ability to pay. These include a personal income tax surcharge on the wealthiest New Yorkers who have yet to feel any pinch as a result of service cuts, a rollback of the property tax hike, replacing the inequitable and unfair property tax hike with reforms that capture lost real estate tax revenues.

## 1) Reforming the Personal Income Tax, \$1.0 billion

The Queens Civic Congress recommends a reform in the City's Personal Income Tax (PIT) to reintroduce fairness and progressivity in apportioning the tax burden, thereby raising more than one billion dollars.

NYC's PIT tax rate varies insignificantly by income level. The PIT tax rate ranges from 2.7% to 3.6% of income. Prior to cuts imposed during the prior administration, the PIT rate structure reflected more progressivity. The current lack of progressivity indicates that very wealthy taxpayers received the greatest benefits when the prior administration cut the PIT. The current NYC top rate, 3.60, kicks in at \$90,000; this unfairly impacts middle and moderate income earners who the city currently taxes the same as very high income earners and millionaires. Under this proposal, incomes under \$200,000 in New York State Adjusted Tax Income would pay no additional PIT; the rate for incomes \$200-350,000 would increase by 0.5; the rate for incomes \$350-500,000 would increase by 1.0; the rate for incomes \$500-1,000,000 would increase by 2.0; the rate for incomes over \$1,000,000 would increase by 2.5. This proposal raises \$1,256,454,000 that enables the City to eliminate personal income tax liability on all filers under \$30,000 forgoing \$195 million; and thus the Queens Civic Congress proposal would net \$1,061,280,000. The Queens Civic Congress executive committee unanimously approved this initiative at its January 27 meeting following approval of the concept at its December meeting

### 2) Real Property Tax Reform, \$1.0 billion

The Queens Civic Congress first proposed real estate tax revenue reforms in testimony almost a year ago on the Mayor's Preliminary Budget. The Mayor's across the board hike in the property tax exacerbates existing inequities in the system of assessing and taxing New York City commercial and residential real estate. The Queens Civic Congress recommends reforms to capture upwards of one billion dollars in lost real estate tax revenue based on illegal uses and improper property classifications through a combination of fines and improvements in the classification of real property. The Queens Civic Congress 2002-2003 Platform contained this sound reform. In light of the Mayor's agreement to join with the City Council to seek the needed state legislation to impose a higher tax on "absentee homeowners" (first proposed by predecessor coalitions that later formed the Queens Civic Congress) that evolved into this broader initiative, the Queens Civic Congress calls on our City officials to embrace this plan with its broader revenue implications.

The Queens Civic Congress platform, approved last spring, also includes a specific section on City Fiscal Affairs.

Income Groups	Current PIT Liability in 000s \$	% rate*	% of Total	Number of Filers	% of Total	PIT per in \$	New Tax Liability in 000s \$
\$200,000 - \$500,000	704,067	3.48 - 3.55	12.74	77,899	2.44	9,038	732,563
\$500,000 - \$1,000,000	415,226	3.55 - 3.57	7.51	18,324	0.57	22,661	528,188
Over \$1,000,000	1,628,577	3.60	29.47	13,406	0.42	121,464	2,732,526

### Personal Income Tax liability under Queens Civic Congress Proposal

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The entire Queens Civic Congress Platform may be viewed on the internet at: <u>http://www.queensciviccongress.org/Platform/02platform.htm</u>

The next Queens Civic Congress meeting, takes place Monday, February 24 at the Union Plaza Nursing Home.

#### **Queens Civic Congress Members**

Assoc. of Old Forest Hills Bayside Hills Civic Assoc. Bayswater Civic Assoc. Bay Terrace Community Beachside Bungalow Preservation Assoc. Bellaire/Belvill Civic Assoc. Belle Harbor Property Alliance Owners Bellerose-Commonwealth Civic Assoc. Bellerose-Hillside Civic Assoc. Bell Park Manor-Terrace **Community Council** Bowne Park Civic Assoc. Briarwood Community Assoc. Cambria Heights Civic Cedar Grove Civic Assoc. College Point Civic Taxpayers Assoc. Assoc. COMET Creedmoor Civic Doug-Bay Manor Civic Assoc. Douglaston Civic Assoc. Douglas Manor Assoc East Flushing Assoc. Floral Park Community Council Civic Assoc. Federation of Laurelton Block Associations Flushing on the Hill Civic Assoc. Flushing Heights Civic Assoc. Flushing Suburban Civic Assoc. Forest Hills Forest Hills Community & Civic Assoc. Chamber of Commerce Forest Hills Crescents Assoc. Forest Hills-Van Court Assoc. Fresh Meadows Homeowners Assoc. Georgetown Mews Glen Oaks Village Owners Greater Whitestone Taxpavers Civic Association Harding Heights Civic Assoc. Harrison Place/Sunnyside Gardens Hillcrest Estates Civic Assoc. Hilltop Village Co-op #4 Hollis Hills Civic Holly Civic Assoc. Holliswood Civic Assoc. Hollis Park Gardens Assoc. Howard Beach Civic Assoc. Jackson Heights Beautification Group Forum Hunters Point Community Coalition Hyde Park Gardens Jamaica Estates Assoc. Jamaica Hill Community Assoc. Joint Community Council College Point Juniper Kew Forest Neighborhood Civic Assoc. Kew Gardens Civic Assoc. Kew Gardens Hills Park Civic Assoc. Kissena Park Civic Assoc. Little Neck Bay Civic Assoc. Civic Assoc. Little Neck Community Assoc. Little Neck Pines Assoc. Locust Manor Neighborhood Civic Assoc. Lost Community Civic Assoc. Malba Civic Association Middle Village Property Owners Mitchell-Linden Civic Assoc. 97 Place Block Assoc. Newtown Civic Assoc. North Bellerose Civic Assoc. North Flushing Civic Assoc. North Hills Estates Civic Assoc. North Queens Homeowners Civic Assoc. North Star Civic Assoc. Oakland Terrace/Gardens Council Off Broadway Homeowners Ozone Tudor Civic Assoc. Parkway Village Oueens Braddock Civic Assoc. **Oueens Colony Civic Assoc. Oueens Community Civic Corp.** Coop. Queens Village Civic Assoc. Ramblersville-Hawtree Civic Assoc. Richmond Hill Historic Assoc. Ridgewood Property Owners Assoc. **Robinwood Property Owners** Rockaway Action Committee Rockaway Beach Civic Assoc. Rocky Hill Civic Assoc. Rosedale Civic Assoc. Royal Ranch Assoc. Sagamore Douglaston Civic Assoc. Southeast Queens Coalition of Concerned Neighbors Southeast Queens Federation of Civic Associations South Ozone Park Coalition of Block Associations South Ozone Park West Springfield/Rosedale Community Assoc. Sunnyside Gardens Harrison Place Civic Assoc. Surrey Estates Civic Assoc. The Concerned Citizens of Laurelton The Property Civic Assoc. Union Turnpike Merchants United Forties Civic Assoc. United Neighbors Civic Assoc. of Jamaica Utopia Estates Civic Assoc. Assoc. Utopia Improvement Assoc. Village Mall at Hillcrest Waldheim Neighborhood Assoc. Wavanda Civic Assoc. West Cunningham Park Civic Assoc. Westmoreland Assoc. Woodside Community Council