

## EXECUTIVE REVENUE PROPOSALS

The Executive Budget provides for over \$6 billion in tax and fee increases when fully effective. Increases for SFY 2009-10 total \$5.2 billion. Absent these revenue actions the General Fund would have a shortfall of \$3.1 billion.

Increases of \$1.4 billion in sales and user taxes make up the bulk of the tax increases when fully effective. Business taxes contribute an additional \$600 million when one time increases in business taxes are included. Personal income taxes are raised \$459 million.

An increase of \$651 million in utility assessments and \$539 million in a new assessment on non-diet soft drinks make up the largest component of charges and assessments.

Over half of revenue increases, 56 percent, in the General Fund come from taxes. However taxes make up only one third on an All Funds basis (see Figure 19). Charges and assessments of \$1.7 billion are dedicated in Special Revenue Funds and when added to assessments in the General Fund total \$2.3 billion or 38 percent of revenue increases on an All Funds basis.

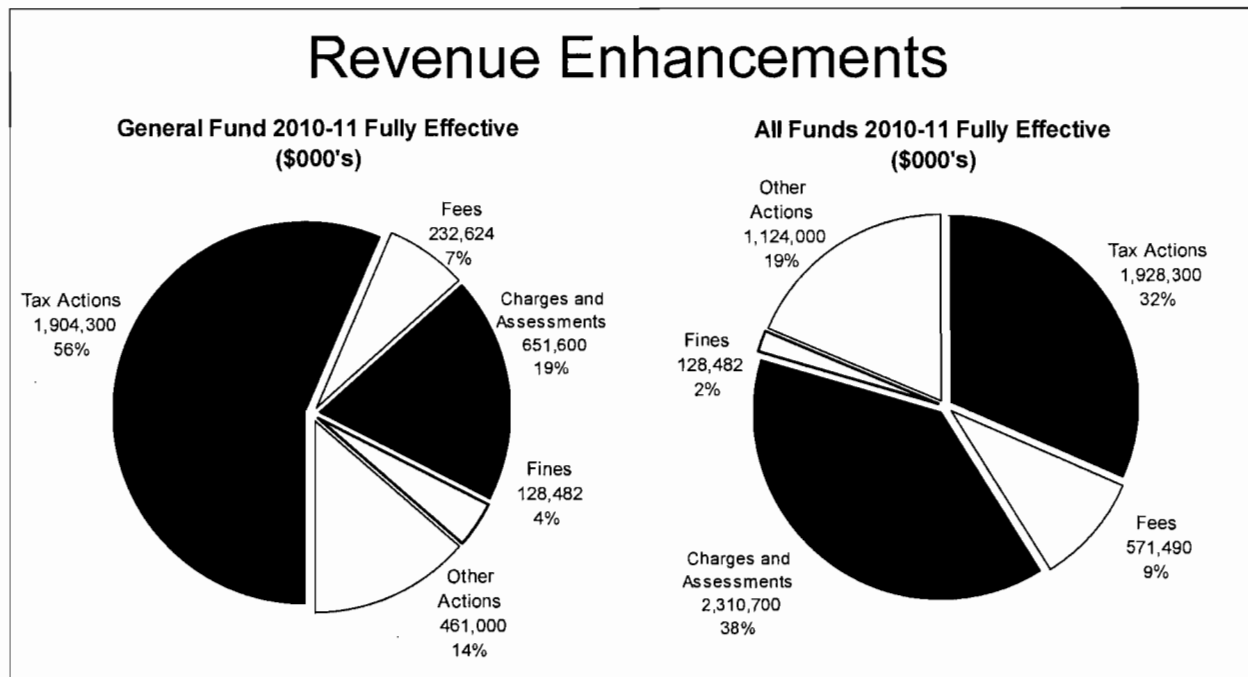


Figure 19

Table 37

<b>Executive Recommendations</b>				
(\$ in 000's)				
	General Fund		All Funds	
	2009-10	2010-11	2009-10	2010-11
<b>I. Tax Actions</b>				
Restructure Clothing Exemption	462,000	660,000	462,000	660,000
Statewide	78,000	104,000	78,000	104,000
Extend Sales Tax to Entertainment-Related Spending	53,000	70,000	53,000	70,000
Extend Sales Tax to Transportation-Related Spending	45,000	60,000	4,500	60,000
Limit Itemized Deduction Limitation for Millionaires	140,000	200,000	140,000	200,000
Limit Capital Improvement Exemption	120,000	160,000	120,000	160,000
Repeal the Sales Tax Cap on Fuel	90,000	120,000	90,000	120,000
Extend Sales Tax to Cable and Satellite Television and Radio	136,000	180,000	136,000	180,000
Repeal Bad Debt Provisions	8,000	10,000	8,000	10,000
Cigar Tax	10,000	15,000	10,000	15,000
Standardize Tax on Flavored Malt Beverages	15,000	18,000	15,000	18,000
Eliminate Underutilized Tax Credits	5,900	9,000	5,900	9,000
Restructure the Insurance Tax	62,000	50,000	65,000	58,000
Treat Coupons Consistently	3,000	3,000	3,000	3,000
Increase Sales Tax on Luxury Goods	12,000	15,000	12,000	15,000
Treat Gain from the Sale of Partnerships	-	10,000	-	10,000
Amend the Definition of Presence in New York	-	5,000	-	5,000
Expand Tax on Nonresident Hedge Fund Income	60,000	60,000	60,000	60,000
Address Abusive Tax Avoidance	4,000	6,300	4,000	6,300
Expand Definition of Affiliate Nexus for Internet Sales	9,000	12,000	9,000	12,000
Close Digital Property Taxation Loophole	15,000	20,000	15,000	20,000
Disallow Utility Definition as Manufacturers	17,000	14,000	18,000	16,000
Change Filing Requirement for Overcapitalized Captive Insurance Corporations	31,000	25,000	33,000	29,000
Eliminate Exemption for Large Cooperative Insurance Companies	19,000	15,000	19,000	15,000
Increase Beer and Wine Tax Rates	63,000	63,000	63,000	63,000
Increase Auto Rental Tax	-	-	8,000	10,000
<b>Total Tax Actions</b>	<b>1,457,900</b>	<b>1,904,300</b>	<b>1,471,900</b>	<b>1,928,300</b>
<b>II. New or Increased Fees</b>				
Increase Feed Tonnage Fees	-	-	146	146
Increase Food Licensing Fees	-	-	3,180	3,108
Establish Seed Dealer Licensing Fees	-	-	500	500
Expand New Statewide Central Register Fees	2,700	2,500	2,700	2,500
Increase Civil Service Exam Fees	1,360	1,381	1,360	1,381

*continued*

**Executive Recommendations**

(\$ in 000's)

*continued*

	General Fund		All Funds	
	2009-10	2010-11	2009-10	2010-11
Establish a Local Fee for Hiring a Public Retiree	60	60	60	60
Increase Public Management Intern Placement Fee	-	-	175	175
Expand Insurance Fingerprinting Fee	6,250	6,250	6,250	6,250
Establish Security Guard Training Fees	446	446	446	446
Increase Nuclear Power Plant Fee	1,350	1,350	2,700	2,700
Increase Motor Vehicle Registration Fee	-	-	60,500	103,700
Increase Motor Vehicle License Fee	-	-	21,900	37,600
Reissue License Plates	-	129,000	-	129,000
Establish a Fee for MV-278 Certificate	500	500	500	500
Increase State Pollutant Discharge Elimination System Fees	-	-	5,000	5,000
Establish New Marine Fishing License	-	-	3,000	6,000
Establish Trout and Salmon Stamp	-	-	3,000	4,000
Increase DEC Education Camp Fee	-	-	115	115
Increase Physician Fees	-	-	16,400	16,400
Establish Early Intervention Parent Fee	-	-	-	27,500
Assess Early Intervention Provider Fee	-	-	1,700	3,600
Restructure Clinical Lab Fees	-	-	36,500	36,500
Increase Certificate of Need Fees	-	-	4,000	4,000
Increase Asbestos Fee	9,152	8,448	9,152	8,448
Increase Boiler Fee	2,167	2,000	2,167	2,000
Establish Explosives Fees and Penalties	294	289	294	289
Increase Real Property Transfer Fee	14,250	19,000	14,250	19,000
Increase Parks Administrative Fees	-	-	6,500	6,500
Establish Horse Entrance Fee	-	-	1,000	1,000
Increase State Licensing Fees	-	-	3,500	3,500
Increase in Surcharge on Auto Insurance	-	-	48,375	64,500
Establish Processing Fee for Paper Tax Returns	6,800	6,800	6,800	6,800
Establish Bad Check Fee	1,500	1,500	1,500	1,500
Establish Installment Payment Fee	4,500	4,500	4,500	4,500
Establish Tax Preparer Fee	6,000	6,000	6,000	6,000
Increase Highway Use Tax Renewal Fee	-	-	4,600	-
Increase Cigarette & Tobacco Retail Registration Fee	(1,800)	(7,400)	16,700	6,200
Establish Non-LLC Partnership Fee	50,000	50,000	50,000	50,000
<b>Total New or Increased Fees</b>	<b>105,529</b>	<b>232,624</b>	<b>345,470</b>	<b>571,490</b>

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**Executive Recommendations**

(\$ in 000's)

*continued*

	General Fund		All Funds	
	2009-10	2010-11	2009-10	2010-11
<b>III. Charges and Assessments for Specific Sectors</b>				
Increase Utility Assessment	651,600	651,600	651,600	651,600
Reinstitute Hospital Assessment	-	-	316,400	271,200
Reinstitute Home Care Assessment	-	-	19,100	21,800
Increase Hospital Surcharges	-	-	126,000	108,000
Increase Covered Lives Assessment	-	-	240,000	120,000
Extend the Covered Lives Assessment	-	-	5,000	5,000
Establish Physical Procedure Surcharge	-	-	49,800	98,500
Increase Insurance Assessment for Public Health Programs	-	-	99,800	49,900
Establish Timothy's Law Insurance Assessment	-	-	179,000	91,000
Increase Insurance Assessment for Tobacco Control and Early Intervention	-	-	92,600	93,700
Extend Insurance Assessment	-	-	-	134,800
Third Party Administrator Fee	-	-	63,100	126,200
Add'l Sales Tax on Soft Drinks for Health Care Programs	-	-	404,000	539,000
<b>Total Charges and Assessments for Specific Sectors</b>	<b>651,600</b>	<b>651,600</b>	<b>2,246,400</b>	<b>2,310,700</b>
<b>IV. New or Increased Fines</b>				
Allow Civil Penalties for Non-Housing Cases	125	156	125	156
Remove Cap on Surcharges	9,900	9,900	9,900	9,900
Increase Vehicle Safety Fines	721	721	721	721
Establish Uncertified Crane Operation Penalty	436	436	436	436
Increase License Suspension Fees	16,069	16,069	16,069	16,069
Increase Food Safety Violation Penalties	1,200	1,200	1,200	1,200
Automated Speed Enforcement Cameras	50,000	100,000	50,000	100,000
<b>Total New or Increased Fines</b>	<b>78,451</b>	<b>128,482</b>	<b>78,451</b>	<b>128,482</b>
<b>V. Other Revenue Actions</b>				
Expand the Bottle Bill	-	-	118,000	118,000
Reform the Empire Zones Program	272,000	292,000	272,000	292,000
Allow the Sale of Wine in Grocery Stores	105,000	54,000	105,000	54,000
Expand Tax Collections	85,000	85,000	85,000	85,000
Reciprocal Vendor Offset	5,000	30,000	5,000	30,000
Increase Prepaid Sales Tax Rates on Cigarettes	14,000	-	14,000	-

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**Executive Recommendations**

(\$ in 000's)

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Allow Decals for TMT Carriers	-	-	-	-
Increase Prepayment to 40%	333,000	-	351,000	-
Pari-Mutuel Tax Extender	-	-	-	-
Eliminate Quick Draw Restrictions	-	-	40,000	59,000
Extend VLT Hours of Operation	-	-	45,000	45,000
Allow for Additional Multi-Jurisdictional Lottery Games	-	-	11,000	21,000
Lottery Prize Fund Investment	-	-	37,000	50,000
Authorize VLT's at Belmont Park	-	-	-	370,000
<b>Total Other Revenue Actions</b>	<b>814,000</b>	<b>461,000</b>	<b>1,083,000</b>	<b>1,124,000</b>
<b>VI. New or Expanded Tax Credits</b>				
Expand the Low Income Housing Tax Credit Program	(4,000)	(4,000)	(4,000)	(4,000)
Credit	-	(20,000)	-	(20,000)
Expand the Qualified Emerging Technology Company	-	-	-	-
Credit	-	-	-	-
<b>Total New or Expanded Tax Credits</b>	<b>(4,000)</b>	<b>(24,000)</b>	<b>(4,000)</b>	<b>(24,000)</b>