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**Youth And Government**

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Committee Assignment: Assembly Freedom 3

Bill #:AF-23

1 **Sponsors:** James Daniels, Andrew Mastrole

2 **An Act To**

3 Amend Tax Law § 601 changing the New York State personal income tax to 4% for  
4 all income levels.

5 *The People of the State of New York, represented in the Senate and Assembly do enact as follows:*

6 **Purpose** This bill will be placed in order to change the New York State personal  
7 income tax at all levels to 4%.

8 **Summary of Provisions**

9 Section 1

10 Imposition of Tax a) Resident married individuals filing joint returns and resident  
11 surviving spouses. There is hereby imposed for each taxable year on the New York  
12 taxable income of every resident married individual who makes a single return  
13 jointly with his spouse under subsection (b) of section six hundred fifty-one and on  
14 the New York taxable income of every resident surviving spouse a tax determined  
15 in accordance with the following tables: (iv) For taxable years beginning in two  
16 thousand twenty-one the following rates shall apply: For resident married

17 individuals filing joint returns the New York State personal income tax is 4% for all  
18 income amounts. Not over \$17,150 4% of the New York taxable income Over  
19 \$17,150 but not over \$23,600 \$686 plus 4.5% of excess over \$17,150 Over  
20 \$23,600 but not over \$27,900 \$976 plus 5.25% of excess over \$23,600 Over  
21 \$27,900 but not over \$43,000 \$1,202 plus 5.9% of excess over \$27,900 Over  
22 \$43,000 but not over \$161,550 \$2,093 plus 5.97% of excess over \$43,000 Over  
23 \$161,550 but not over \$323,200 \$9,170 plus 6.33% of excess over \$161,550 Over  
24 \$323,200 but not over \$2,155,350 \$19,124 plus 6.85% of excess over \$323,200  
25 Over \$2,155,350 \$144,905 plus 8.82% of excess over \$2,155,350

26 (v) For taxable years beginning in two thousand twenty two the following rates  
27 shall apply: If the New York taxable income is: The tax is: Not over \$17,150 4% of  
28 the New York taxable income Over \$17,150 but not over \$23,600 \$686 plus 4.5%  
29 of excess over \$17,150 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of  
30 excess over \$23,600 Over \$27,900 but not over \$161,550 \$1,202 plus 5.85% of  
31 excess over \$27,900 Over \$161,550 but not over \$323,200 \$9,021 plus 6.25% of  
32 excess over \$161,550 Over \$323,200 but not over \$2,155,350 \$19,124 plus 6.85%  
33 of excess over \$323,200 Over \$2,155,350 \$144,626 plus 8.82% of excess over  
34 \$2,155,350

35 (vi) For taxable years beginning in two thousand twenty three the following rates  
36 shall apply: If the New York taxable income is: The tax is: Not over \$17,150 4% of  
37 the New York taxable income Over \$17,150 but not over \$23,600 \$686 plus 4.5%  
38 of excess over \$17,150 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of  
39 excess over \$23,600 Over \$27,900 but not over \$161,550 \$1,202 plus 5.73% of  
40 excess over \$27,900 Over \$161,550 but not over \$323,200 \$8,860 plus 6.17% of  
41 excess over \$161,550 Over \$323,200 but not over \$18,834 plus 6.85% of



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42 ~~\$2,155,350 excess over \$323,200 Over \$2,155,350 \$144,336 plus 8.82% of excess~~  
43 ~~over \$2,155,350~~

44 ~~(vii) For taxable years beginning in two thousand twenty four the following rates~~  
45 ~~shall apply: If the New York taxable income is: The tax is: Not over \$17,150 4% of~~  
46 ~~the New York taxable income Over \$17,150 but not over \$23,600 \$686 plus 4.5%~~  
47 ~~of excess over \$17,150 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of~~  
48 ~~excess over \$23,600 Over \$27,900 but not over \$161,550 \$1,202 plus 5.61% of~~  
49 ~~excess over \$27,900 Over \$161,550 but not over \$323,200 \$8,700 plus 6.09% of~~  
50 ~~excess over \$161,550 Over \$323,200 but not over \$18,544 plus 6.85% of~~  
51 ~~\$2,155,350 excess over \$323,200 Over \$2,155,350 \$144,047 plus 8.82% of excess~~  
52 ~~over \$2,155,350~~

53 ~~(viii) For taxable years beginning after two thousand twenty four the following rates~~  
54 ~~shall apply: If the New York taxable income is: The tax is: Not over \$17,150 4% of~~  
55 ~~the New York taxable income Over \$17,150 but not over \$23,600 \$686 plus 4.5%~~  
56 ~~of excess over \$17,150 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of~~  
57 ~~excess over \$23,600 Over \$27,900 but not over \$161,550 \$1,202 plus 5.5% of~~  
58 ~~excess over \$27,900 Over \$161,550 but not over \$323,200 \$8,553 plus 6.00% of~~  
59 ~~excess over \$161,550 Over \$323,200 \$18,252 plus 6.85% of excess over~~  
60 ~~\$323,200~~Section 2

61 **Justification**

62 New York is currently facing a severe problem in which many residents are leaving  
63 the state simply because they cannot afford to live here anymore. Lowering the  
64 personal income tax rate would not only alleviate the stress many residents are  
65 facing but would help stop the mass exodus given that 190,000 residents left to  
66 other states in 2017-2018. The decrease of the tax rate to 4% across all levels of  
67 income would make New York more competitive with other states; currently nine  
68 other states have a flat tax, and seven U.S. states do not impose state income tax  
69 at all. New York had the highest net loss of adjusted gross income with only \$10.7  
70 billion replacing the \$19.1 billion that left in 2016. This is a concerning statistic  
71 since the state of New York is losing a large portion of its tax revenue every year.  
72 In conclusion, this tax cut would save New York families thousands of dollars  
73 depending on income, allowing that extra money to be spent in the local economy,  
74 increasing revenue generated through the sales tax.

75 **Fiscal Implications**

76 Using figures from tax year 2016, the personal income tax collections by NYS would  
77 decrease by roughly 28% while the overall tax collections (including sales, business  
78 tax, etc.) would decrease by only 17% if this bill was enacted.

79 **Environmental Implications** There would be no environmental implications.

80 **Effective Date** April 1<sup>st</sup>, 2021