

2007 Budget Summary

Last week the legislature passed the \$120.9 billion budget. Governor Spitzer was anxious to reduce Medicaid costs, increase school spending and give much needed relief to the property taxpayers of New York State. Although the legislature partially restored some of the cuts made in Spitzer's proposed budget, the Governor stated that the budget "hit every one of the objectives I have laid out" Here are a few of the highlights of the 2007-08 budget.

- **No increase in sales tax**
- **More than \$1 billion in cost savings, reducing the growth of Medicaid from an average of 8 percent to about one percent**
- **\$1.3 billion in additional property tax relief, including an income based benefit targeted to middle class homeowners statewide and additional benefits for senior homeowners, the first phase of a three-year plan to provide \$5.3 billion in property tax relief**
- **Tax rebates. Checks will be sent out later this year to property taxpayers amounting to an increase from last years \$300 to \$1,000 checks**
- **\$1.8 billion increase in school aid (\$17 billion highest in the nation)**
- **Doubled the number of charter schools to 200**
- **\$100 million to boost high-tech research and development, including stem cell research**
- **\$165 million over two years for an expansion of the Child Health Plus program, providing access to health coverage for all 400,000 currently uninsured children in New York and streamlining enrollment procedures for 900,000 Medicaid-eligible New Yorkers.**
- **Business tax loophole closed that lets companies pay themselves rent and then deduct that rent from their taxes**

Further details will be provided on request