

JOIN NYIA IN FIGHTING AGAINST BACK-DOOR TAXES



The Governor and the Legislature slammed New York insurers and consumers with a \$180 million “back-door” tax as part of the Deficit Reduction Plan that was passed in early February.

The state’s actions are the reverse of an economic stimulus and are undermining any federal efforts related to New York.

Legislators need to understand that these new taxes will eventually be shared with consumers. In the meantime, companies are being squeezed, leading to tough decisions like layoffs and whether companies should do less business in New York.

Public policy makers need to realize that raising taxes on any business in the middle of a deep recession is a bad idea, but using a hidden tax in an era of supposed government transparency is despicable. The state considers this to be a \$180 million savings per year, when in fact it is pushing a huge burden on one specific industry at a time when New York businesses are already suffering.

Agents will also be affected by these increased taxes as companies have to make difficult decisions. Agents must join companies in fighting devastating industry tax increases.

These taxes were passed despite the Governor’s pledge in his State of the State address to lower the cost of doing business in New York.

***MAKE YOUR ELECTED OFFICIALS
DELIVER ON THEIR PROMISES.***

What You Can Do to Help

Legislators want to hear how this impacts their district and will be more apt to respond if they hear directly from their constituents. Please reach out to your state Senator and Assemblymember and explain the impact of increased taxes on the industry. You can also share your comments via the Web at www.nybudgetideas.org, which includes an e-mail address for specific comments, or relay your concerns by calling 1-800-706-9995 and leaving a voicemail.

NYIA Working for the Industry

NYIA has been at the forefront of the battle and will continue to relentlessly fight against these harmful taxes:

- NYIA has lobbied extensively in opposition, meeting with countless legislators and the Governor’s office
- NYIA testified at the Joint Legislative Public Hearing on Taxes in opposition to increased taxes and assessments on the industry, emphasizing the state’s improper use of “back-door” taxes
- NYIA has made public statements and issued media releases on how this undue burden on the industry can lead to layoffs and discourage companies from continuing to do business in New York

What Legislators Need to Know

The insurance industry is a pillar of New York’s economy:

- Employs 149,000 New Yorkers
- Pays over \$16 billion in wages & salaries
- Already pays over \$3 billion in taxes each year
- In 2007 paid New Yorkers over \$90 billion in claims