Statewide School Superintendent Leaders Call on New York Representatives to Vote “No” on Federal Tax Bills Unless State and Local Tax Deductions Are Preserved

ALBANY – Leaders of the New York State Council of School Superintendents spoke out in Albany today against federal tax legislation which would eliminate or reduce deductions for state and local taxes (SALT).

Council President Laura Feijoo said, “Elimination of deductions for state and local taxes would have a devastating impact on our state’s ability to fund School Aid and other public services. We are calling on all New York’s representatives in Congress to oppose any tax legislation which does not keep those deductions completely intact.” Dr. Feijoo is Senior Supervising Superintendent for the New York City Department of Education and 2017-18 President of the State Council of School Superintendents.

Council Past President Patricia Sullivan-Kriss, superintendent of West Hempstead, said, “I want to thank all of Long Island’s representatives in the House for aggressively defending deductions for state and local taxes. Not only would the loss of SALT hurt the ability of the state to fund schools, it would increase taxes for many middle income taxpayers and lower their home values. That could compound damage to our schools, making it harder for those taxpayers to support funding through local taxes.”

A study for the National Association of Realtors found that for taxpayers with adjusted gross incomes between $50,000 and $200,000 a year, ending SALT deductions could result in federal tax increases averaging over $800, even if the standard deduction is doubled.

Former Council President Mary Beth Fiore, superintendent of Elmira Heights, explained that lawmakers representing poor communities need to be especially concerned about impact of cutting SALT deductions, even if they have fewer affected taxpayers. Fiore said, “The personal income tax is the state’s largest revenue source and School Aid is its largest general fund expenditure. Ending deductibility of state income taxes could drive upper income taxpayers to leave our state. That would hurt state government’s ability fund all public services, including School Aid. The poorest communities depend on help from the state the most.”

A typical school district in counties represented by Congressman Tom Reed (R-Corning), for example, received roughly two-thirds of its total revenues from state sources in 2015-16. That year, the poorest 20 percent of school districts received an average of 71 percent of their total funding from the state.
Council Treasurer Michael Wetherbee of Wayland-Cohocton added, “Schools that often struggle the most to give their students adequate services now would be hurt the most by what cutting SALT deductions would do to state finances.”

Council President-Elect Lorna Lewis of Plainview-Old Bethpage said, “New York already has the poorest balance of payments with Washington of any state, sending $48 billion more in taxes to the federal government than we get back in spending. Reducing SALT deductions will widen that gap.” Lewis added, “It’s unfathomable to me how any lawmaker who represents New Yorkers could vote for this legislation to increase the subsidy we pay to taxpayers in other states even more.”

Council Vice President Kevin McGowan of Brighton said, “New Yorkers have demonstrated that they value public services and have been willing to pay for those services. We are grateful for their support. Last year, for example, only five school district budgets did not gain voter approval in May votes. With changes and second votes, school budgets in every district passed. Cutting SALT deductions would make it much harder to preserve opportunities that our voters support, our families expect, and our students need.”

The Council also opposes provisions in the House tax bill to lower the cap on mortgage interest deductions and open section 529 college savings plans to cover elementary and secondary education expenses.

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*The New York State Council of School Superintendents is a professional and advocacy organization with over a century of service to school superintendents and assistant superintendents in New York State. The Council provides more than 800 members with professional development opportunities, publications and personal support while advocating for public education and the superintendency.*