



Budget Decisions

Ethical Background

- Community implies that a society is mindful of the well being of all its members and committed to upholding the dignity of each.
- Government exists to help society reach its goals.
- Government has a responsibility to address basic human needs, protect the least of its citizens and provide for its most vulnerable members.

Background

- New York has the worst income equality in the nation. (Center for Budget and Policy Priorities)
- Those with incomes in the top 5% have average incomes 15.4 times as large as the poorest 20%.
- In the past decade incomes soared for the top 5% of New York taxpayers while income of the bottom 95% fell.
- In addition to the wealth gap there has been deterioration in job quality – lower wages, fewer benefits, less economic security and a wage-productivity gap.
- New York's productivity grows while workers' living standards stagnate and there is a dramatic rise in the number of working poor. (Fiscal Policy Institute)
- Such stratification disrupts community because it indicates that some people matter more than others and that the least matter least of all.

Current Situation

- New York State's tax policies mirror its wealth gap.
- NY States top rate begins at \$20,001 a year. That costs NYS more than \$20 billion this year relative to the income tax structure as it was in 1994. (Fiscal Policy Institute)
- In 2008 New York faced down enormous deficits, which continue into this year. The Governor and Legislature did so by cutting programs but not touching the tax structure.
- Programs struggling to meet survival needs of the most vulnerable were cut several times. Some funding was restored, but the recession deepened and demand on these programs has soared.

What Will Help

- More progressive income tax structure.
- Refrain from buying into myths:
 - that businesses and affluent individuals flee if they have to pay more taxes. They did not after 2003.
 - that adjusting income tax rate kills jobs.
 - that money trickles down.
 - that government is addicted to spending.
 - Realize that assistance given to those in need help the economy quickly because it is immediately spent.

(3/2009)

Member Denominations

American Baptist Churches, Episcopal Church, Evangelical Lutheran Church in America, Presbyterian Church (USA), Reformed Church in America, Religious Society of Friends, United Church of Christ, The United Methodist Church.