

TAX THE RICH
FOR AN AFFORDABLE NY!

PSC
CUNY

Overview of Tax Policy & Proposals

Federal Income Tax Overview

The **recent cuts to the Federal Income Tax structure** under the One Big Beautiful Bill Act of 2025 (OBBA) are an **extension of the tax cuts** that were first enacted by the “Tax Cuts and Jobs Act” of 2017 (TCJA).

Federal tax brackets before the TCJA cuts went into effect:

2017 Federal Income Tax Brackets (filing single)	
10%	\$0 – \$9,325
15%	\$9,325 – \$37,950
25%	\$37,950 – \$91,900
28%	\$91,900 – \$191,650
33%	\$191,650 – \$416,700
35%	\$416,700 – \$418,400
39.6%	\$418,400+

Federal tax brackets in 2025:

2025 Federal Income Tax Brackets (filing single)	
10%	\$0 – \$11,925
12%	\$11,926 – \$48,475
22%	\$48,476 – \$103,350
24%	\$103,351 – \$197,300
32%	\$197,301 – \$250,525
35%	\$250,526 – \$626,350
37%	\$626,350+

Federal Income Tax Overview

As a result of the extension of the tax cuts by the OBBBA:

- Estimated **\$4.5 trillion reduction in federal tax revenue** nationwide
- According the Fiscal Policy Institute, in New York alone, taxpayers who earn over \$1 million will save a **total of \$12 billion annually**
 - This is equivalent to **\$129,600 per millionaire each year**, or 2.7% of their income.



Progressive State Income Tax Bill

(S.1622-Jackson/A.1281-Meeks)

S.1622 would expand the existing personal income tax brackets in New York State, and **more than double the rate for the top tax bracket**.

- This legislation would increase the top tax rate to 24% for all income earned in excess of \$20,000,000, as compared to 10.9% for income in excess of \$25M under the current structure.
- The bill would also create several **new tax brackets to incrementally capture more tax revenue** as earned income increases.
 - This makes the state's tax brackets much more progressive; currently, an individual earning \$1M annually pays a maximum rate that is just 0.85% more than the top tax rate of an individual earning \$100,000
- This change would raise **an additional \$10 billion in revenue each year**.

Progressive State Income Tax Bill

(S.1622-Jackson/A.1281-Meeks)

Current NY State Personal Income Tax (filing single)	
4.00%	\$0 – \$8,500
4.50%	\$8,500 – \$11,700
5.25%	\$11,700 – \$13,900
5.50%	\$13,900 – \$80,650
6.00%	\$80,650 – \$215,400
6.85%	\$215,400 – \$1,077,550
9.65%	\$1,077,550 – \$5,000,000
10.30%	\$5,000,000 – \$25,000,000
10.90%	\$25,000,000+



S.1622 – Proposed NY State Personal Income Tax	
4.00%	\$0 – \$8,500
4.50%	\$8,500 – \$11,700
5.25%	\$11,700 – \$13,900
5.50%	\$13,900 – \$80,650
6.00%	\$80,650 – \$215,400
6.85%	\$215,400 – \$450,000
7.50%	\$450,000 – \$600,000
8.00%	\$600,000 – \$700,000
8.50%	\$700,000 – \$800,000
9.00%	\$800,000 – \$900,000
10.00%	\$900,000 – \$1,000,000
11.00%	\$1,000,000 – \$2,000,000
12.00%	\$2,000,000 – \$3,000,000
14.00%	\$3,000,000 – \$4,000,000
16.00%	\$4,000,000 – \$5,000,000
18.00%	\$5,000,000 – \$10,000,000
20.00%	\$10,000,000 – \$15,000,000
22.00%	\$15,000,000 – \$20,000,000
24.00%	\$20,000,000+

Fair Share Act

(S.8577-Liu/A.8953-Souffrant Forrest)

The Fair Share Act would authorize New York City to **charge an additional 2% on all income earned in excess of \$1,000,000.**

- New York City's current tax bracket structure is relatively flat, with a minimum rate of 3.08%, and a maximum rate of 3.88% (for all income over \$50,000)
- This bill would create a new top tax bracket of 5.88% for all income over \$1,000,000
- In 2023, **Massachusetts enacted a similar “Millionaires’ Tax,”** which imposed a 4% surcharge on all income over \$1,000,000. In the first year, this raised an additional \$2.2 billion in revenue

If enacted, this would generate an additional \$4 billion in annual tax revenue for New York City.

Fair Share Act

(S.8577-Liu/A.8953-Souffrant Forrest)

Current NYC Personal Income Tax Brackets (filing single)	
3.08%	\$0 – \$12,000
3.76%	\$12,000 – \$25,000
3.82%	\$25,000 – \$50,000
3.88%	\$50,000+

S.8577 – Proposed NYC Personal Income Tax Brackets (filing single)	
3.08%	\$0 – \$12,000
3.76%	\$12,000 – \$25,000
3.82%	\$25,000 – \$50,000
3.88%	\$50,000 – \$1,000,000
5.88%	\$1,000,000+

Corporate Tax on the Most Profitable Corporations

(S.953-Hoylman/A.1971-Kelles,Shrestha)

S.953 would make a number of changes to New York State's corporate tax structure, but the most important provision would:

- **Increase the corporate tax rate** to 8% for companies with income over \$2.5 million; 12% for companies with income over \$10 million, and 14% for companies with income over \$20 million

Current NYS Corporate Tax Structure:

Type of business	Tax years 2021–2026	Tax year 2027 and thereafter
Qualified New York manufacturers	0.00%	0.00%
Qualified emerging technology companies	4.88%	4.88%
Small businesses	6.50%	6.50%
Taxpayers with business income base of more than \$5 million	7.25%	6.50%
Remaining taxpayers	6.50%	6.50%

Corporate Tax on the Most Profitable Corporations

(S.953-Hoylman/A.1971-Kelles,Shrestha)

Proposed changes to NYS Business Tax rate by S.953:

Type of business	Tax Rate
Qualified New York manufacturers	0.00%
Qualified emerging technology companies	4.88%
Small businesses	6.50%
Business income of \$2.5M+	8.00%
Business income of \$10M+	12.00%
Business income of \$20M+	14.00%
Remaining taxpayers	6.50%

REPAIR Act

(S.1419-Liu/A898-Mamdani)

The REPAIR Act would amend the New York State constitution to end property tax exemptions for private institutions of higher ed, meaning that **Columbia and NYU, two of the largest landowners in NYC, would finally have to pay taxes on their real estate portfolio.**

- Columbia and NYU have a combined endowment of more than \$20 billion, while CUNY relies on meager state funding. A follow-up bill **could direct the additional tax revenue raised to CUNY.**
- This act would ensure that taxpayers are not subsidizing the accumulation of real estate by wealthy institutions, and establish a revenue source for high-quality public education.
- If enacted, this bill would **raise an additional \$321M in tax revenue per year.**