THE JOURNAL NEWS PART OF THE USA TODAY NETWORK

NY 'least free state' in US, report says

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August 16, 2016

With its high taxes and spending on public subsidies, New York ranked as the "least free state" in the nation, a report this week contended.

New York's fiscal policies resulted in a local tax burden that was twice that of the average state: 7.8 percent of income in 2012, <u>said the Cato Institute</u>, the libertarian think tank funded by the Koch brothers, the billionaire backers of conservative politics.

"New York is again the least free state in the country," the report Monday said. "Its huge, glaring weakness is fiscal policy."

The report knocked New York for high taxes on cigarettes and rent control laws in New York City.

Gov. Andrew Cuomo has billed New York as the progressive capital of the nation, and he has hailed the state's steps to provide services to its neediest residents, install tough gun-control laws and legalize same-sex marriage in 2011.

Earlier this year, the state approved a phased-in \$15 an hour minimum wage, a 12-week paid-family leave program and cut income taxes.

"New York is the progressive capital of the world and, despite what any right wing think tank says, we're proud of our efforts to protect renters and combat smoking," Cuomo spokesman Rich Azzopardi said.

He continued: "Any truly objective review of the facts would have also found this administration's reforms led to the lowest middle class tax rates in 70 years, the lowest manufacturing tax rate since 1917, the lowest corporate tax rate since 1968, a property tax cap, six budgets in a row with spending capped at 2 percent and the lowest debt to personal income ratio since the 1960s."

Conservative groups have long criticized New York's business climate — which the Tax Foundation has repeatedly <u>labeled as one of the worst in the nation</u>.

The Cato report said New York spends nearly four times the average on business subsidies with a debt "the highest in the country at 31.9 percent of income."

The group recommended cutting public spending on "hospitals, housing, libraries, public welfare, sanitation and sewerage, public transit, employee retirement" and more.

Some policies have changed since the report was compiled.

The Cato Institute said mixed-martial arts competitions and fireworks are banned. New York this year legalized MMA contests and some small fireworks are legal.