

Tax Reform & Regulatory Relief

Accelerate Economic Growth and Balance the Federal Budget without Slashing Essential Services

RECOMMENDED ACTIONS

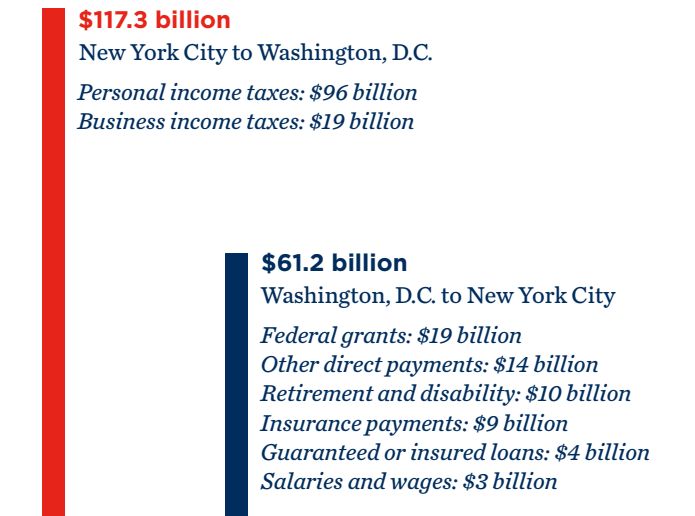
↓
Provide more incentives for research and innovation

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Restore deductibility of state and local taxes from personal income tax obligations to reflect high costs and outsize contributions of nation's most productive urban centers

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Survey employers to identify regulations that unnecessarily add to costs, discourage investment and inhibit job creation

Figure 2

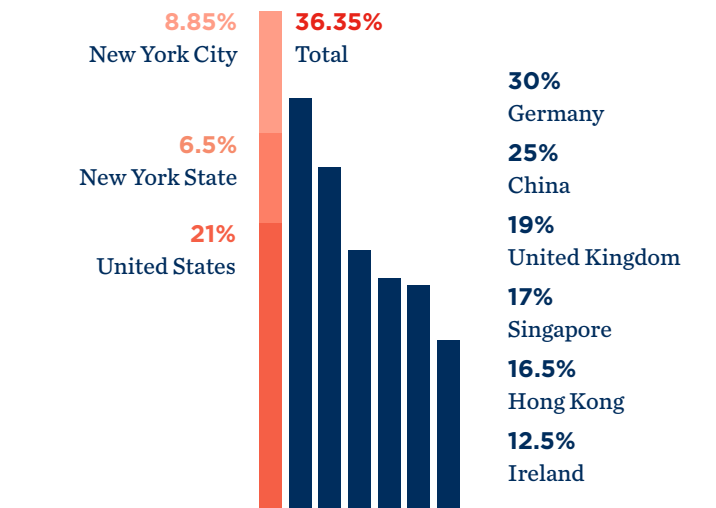
New York City is a large net contributor to the federal budget (2015).



\$56.1 billion balance of payments deficit

Figure 3

New York City corporate taxes are the highest in the developed world (2019).



Does not account for the deductibility of state and local taxes in the United States. Reflects highest tax brackets.

U.S. tax policy for research and development is still relatively basic compared to our competitors.



United States

Research & Development (R&D) tax credit equal to either 14 percent or 20 percent of total qualified research expenses depending on the calculation method applied



Canada

Scientific Research and Experimental Development tax deductions, investment tax credits for capital and R&D costs



China

Super deduction (150 percent) of R&D expense, rate reductions for “high and new technology,” Value Added Tax (VAT) exemptions



France

R&D tax credit, innovation grants, accelerated depreciation for fixed assets used in R&D, patent box and innovation tax credits for small- and medium-sized enterprises (SMEs)



Singapore

Productivity and Innovation Credit Scheme (250 percent/300 percent deductions on S\$400,000 expenses per year for R&D activity)

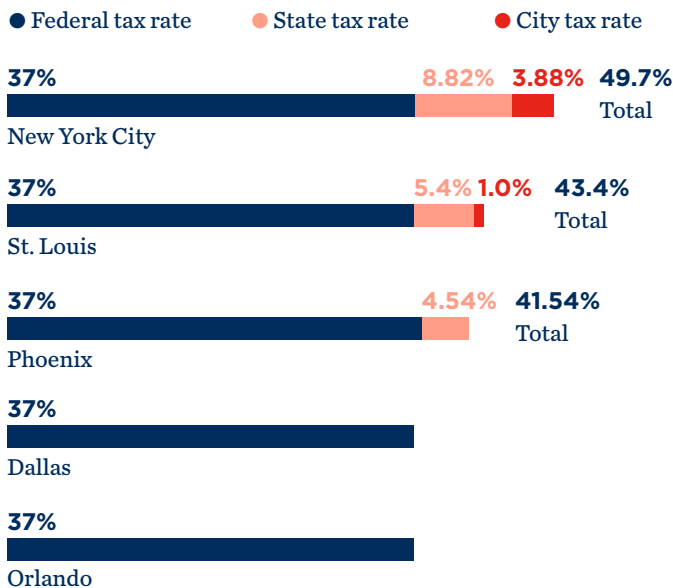


United Kingdom

Patent box, R&D tax credits (super deductions for SMEs) and investor tax relief in early-stage businesses

Figure 4

New York City has higher personal income tax rates than other major U.S. cities (2019).



Does not account for the deductibility of state and local taxes in the United States. Reflects highest tax brackets.