

# Flanagan: Payroll tax impractical

Key Republican:  
Time's too short  
for workable plan

BY YANCEY ROY  
yancey.roy@newsday.com

ALBANY — The state Legislature's top Republican on Tuesday threw cold water on Gov. Andrew M. Cuomo's proposal to shift the state revenue base from income taxes to payroll taxes.

Senate Majority Leader John Flanagan didn't call the proposal dead. But he said he opposes the concept, questions whether it would be welcomed widely by employers or employees, and doubts lawmakers, even if inclined to go along with the governor, could produce an acceptable framework by April 1, the beginning of New York's fiscal year.

"My visceral reaction is I think all of our colleagues are opposed to it," Flanagan (R-East Northport) said at a state Capitol news conference, surrounded by other Republicans. Referring to the unpopular MTA payroll tax im-

posed right after the 2008 national economic meltdown, he said the idea of a payroll tax "makes my head spin."

A spokesman for Cuomo didn't directly address Flanagan's comments, but he criticized Flanagan for supporting President Donald Trump, "who is hostile to New York values."

Outlining Senate Republicans' overall state budget strategy, Flanagan also called for cutting almost \$1 billion in taxes on energy, manufacturing and small businesses and ending the controversial business incentive program Start-Up NY, which he called ineffective.

But other than cutting \$44 million in Start-Up NY advertising, Flanagan didn't spell out how he'd reduce spending to offset the tax cuts.

On Monday, Cuomo officials presented the governor's proposal to help some New Yorkers offset a new limitation on federal deductions for state and local taxes. Cuomo's plan would eliminate income taxes for individuals and shift to withholding money for payroll taxes collected by employers.



State Senate Majority Leader John Flanagan doubts that employers and employees would embrace plan.

The concept is that employees would break even on take-home pay but reduce the amount of taxable federal income, thereby reducing their tax liability. Businesses would get a state tax credit to offset the payroll tax and be able to deduct the amount from their taxes.

Cuomo also proposes having individuals stop paying property taxes for schools and instead pay an equivalent amount to a "charitable" education fund to pay for

local schools, an idea endorsed by some legislators.

But both plans would be voluntary. Analysts and business groups questioned how many employers would go through the process of completely overhauling payroll. Some school officials also expressed concern about their ability to establish and run such charitable funds.

Further, the U.S. Treasury Department has signaled it would be skeptical about some of the

tax workarounds New York and other states are considering.

"We think we are living within the structure of the law," Cuomo budget director Robert Mujica told reporters Monday.

Cuomo's proposal isn't in writing yet. His budget division plans to include it as part of the governor's proposed amendment to the state budget on Thursday. The governor and lawmakers are supposed to adopt a spending plan by April 1.

## State funds immigration counseling as DACA, TPS end

BY VÍCTOR MANUEL RAMOS  
victor.ramos@newsday.com

New York is partnering with advocacy nonprofits for outreach to immigrants concerned about the threat of deportation as they lose their lawful status because the Trump administration is curtailing programs allowing them to stay legally in the United States.

The state has been funding programs through its Office for New Americans to provide guidance to those losing protections under the Deferred Action for Childhood Arrivals, or DACA, and the Temporary Protected Status, or TPS.

That commitment will be

sustained, Gov. Andrew M. Cuomo said in a statement, as the state "will continue to fight for the American Dream of thousands of residents who contribute to our society."

The next "Know Your Rights" workshops will take place in Manhattan and Queens, and in upstate Spring Valley and Utica. Well-attended workshops have been held on Long Island, and the outreach will continue here through one-on-one consultations with affected immigrants at the Central American Refugee Center in Hempstead and Brentwood.

The state cannot offer any solution to people's immigration

predicament, but part of its aim is to prevent those vulnerable to deportation from being misled.

"There's a lot of fear, a lot of 'what comes next' and people who out of desperation are allowing themselves to be drawn in" by paralegals known as "notarios" or by costly "unscrupulous attorneys who are promising immigration benefits and hope that doesn't really exist," said Elise S. Damas, an attorney with the Central American Refugee Center.

The DACA program has shielded hundreds of thousands of young immigrants who were brought to the United States illegally as minors, but the Trump adminis-

tration announced its wind-down of those protections this year. About 32,900 immigrants under DACA live in New York, according to federal government statistics.

The TPS protections, granted to immigrants from nations in turmoil due to such factors as war and natural disasters, are set to end next year for Salvadorans, Haitians and Nicaraguans.

As many as 16,200 Salvadorans and 5,200 Haitians are among TPS recipients in New York, according to estimates by the Center for American Progress. The number of affected Nicaraguans has not been estimated, but their population is relatively small in New York.

### MORE WORKSHOPS

- **THURSDAY:** Liberty Defense Project TPS/DACA Town Hall, 5-8 p.m. Northern Manhattan Coalition for Immigrant Rights and Hispanic Federation, at Fort Washington Collegiate Church, 729 W. 181 St., Washington Heights, Manhattan.
- **MARCH 16:** TPS/DACA Know Your Rights, 5-6 p.m. at Queens Library, 37-44 21st St., Long Island City, Queens.
- **FOR CONSULTATIONS** at Central American Refugee Center, which has offices in Hempstead and Brentwood, call 516-489-8330.

## DOW JONES

▲ 39.18 to 24,640.45

Over the past year:



## CRUDE OIL

▼ \$0.10 to \$59.19

Over the past year:



Key:  
 ○ — Past year's low  
 ○ — Past year's high

Close: color indicates up/down from previous close

## STOCKS REBOUND THIRD DAY IN A ROW

U.S. stocks rose for the third day in a row Tuesday, led by banks, retailers and technology companies. The rebound follows a drop of more than 10 percent in the previous two weeks.

Amazon climbed once again, and athletic apparel companies rose following solid fourth-quarter results from Under Armour. Apple continued to recoup some of its recent losses. Energy companies slipped again, and drug distributors slumped.

Last week the Dow Jones industrial average twice fell 1,000 points in a day. But on Tuesday, the gap between the Dow's highest mark and its lowest was a more modest 284 points.

Mark Hackett, chief of investment research at Nationwide Investment Management, said investors who have steered clear of the stock market started to pile in over the last few months, but that round of buying ended abruptly. "The pattern that we saw over the last month and a half is not by any stretch of the imagination unusual," he said, "But it is compressed. It normally doesn't happen over a six-week period."

The Standard & Poor's 500 index rose 0.3 percent to 2,662.94. The Dow added 39.18 points to end at 24,640.45. The Nasdaq composite advanced 0.5 percent to 7,013.51. — AP

### NOW ONLINE

Get business updates and sign up for the daily business newsletter.  
[newsday.com/biz](http://newsday.com/biz)



Northwell Health, headquartered in New Hyde Park, has affiliated with ProCure Proton Therapy Center in Somerset, N.J. Patients here would travel there for the radiation option.

# Northwell's latest: cancer care in N.J.

## LI-based network joins with proton therapy center

BY DAVID REICH-HALE

david.reich-hale@newsday.com

Northwell Health on Tuesday announced a clinical affiliation with ProCure Proton Therapy Center, a New Jersey-based provider of proton-beam-therapy cancer treatments.

New Hyde Park-based Northwell said its affiliation with ProCure will allow it to provide the treatment to its patients, who would travel to ProCure's Somerset, New Jersey, facility for the care.

Northwell has designated two staff doctors who will meet patients at Somerset for care.

"With the addition of proton therapy, we now offer every major radiation therapy option currently

available, allowing our physicians to personalize treatment for all our patients," said Dr. Louis Potters, chair of radiation medicine at the Northwell Health Cancer Institute.

Northwell said proton therapy is a treatment option for a range of cancers, including brain tumors, as well as head and neck, breast, lung, prostate and pancreatic cancers.

After the protons travel through the tumor, they stop, so there is no exit dose, which occurs with some other radiation treatments.

Protons limit the amount of radiation exposure healthy tissue and organs surrounding the tumor receive, thereby reducing the risk of side effects and improving a patient's quality of life, the hospital said.

Other health systems are also targeting proton cancer care. Memorial Sloan Kettering Cancer Center, Montefiore Health System

and Mount Sinai Health System are jointly developing the New York Proton Center in Manhattan. The East Harlem center will be the first proton beam therapy facility in the state.

That proton center is set to open in 2019. It will be managed by ProHealth Proton Management.

The ProCure agreement is the second out-of-state affiliation deal Northwell has reached this month.

Northwell and Western Connecticut Health Network last week signed an agreement to jointly explore developing new clinical programs and services as well as sharing analytics.

As part of the deal, Northwell Health will provide the Danbury, Connecticut-based health care system with workforce development opportunities via its corporate university.

Northwell Health is New York State's largest private employer, with about 66,000 employees.

## GOP leader: End 'failed' Start-Up NY

BY YANCEY ROY

yancey.roy@newsday.com

ALBANY — New York's top Republican on Tuesday called for eliminating state-paid advertising for the Start-Up NY program, a business-incentive initiative that he said has "failed."

State Senate Majority Leader John J. Flanagan (R-East Northport) said the state should dissolve Start-Up NY and put the \$44.5 million that Gov. Andrew M. Cuomo proposes to spend on advertising the program and other economic development initiatives to better use.

Flanagan noted a recent state report found that the program — which offers

companies 10 tax-free years to locate in designated zones affiliated with universities — has produced 722 new jobs between 2014 and 2016, though the state spent \$53 million to promote Start-Up NY.

"That alone should make us take a hard look and say do we really need this program?" he said at a State Capitol news conference.

Flanagan and the Senate GOP majority want the state to stop taking applications for Start-Up NY by year's end.

A spokesman for Empire State Development, which runs the program, challenged Flanagan Tuesday, saying it had created 1,135 jobs in the 2½-year period, including 42 at 16 companies on Long Island. Employment data for last year are not yet available.

The spokesman said ESD "has not run a Start-Up NY ad since early 2015" and the proposed future ad spending isn't tied specifically to the program but for economic development and tourism generally.

The position of the Senate GOP matters because Cuomo must negotiate the 2018-19 state budget with the majority conferences of both legislative houses. The budget is due by April 1.

Start-Up NY has struggled on Long Island. A Newsday analysis in July found that 54 percent of local participants had withdrawn or been removed from the program, more than double the statewide loss rate.

With James T. Madore



Sen. Flanagan