



Invested in America

March 17, 2015

The Honorable Dean Skelos
Majority Leader, New York State Senate
LOB 909
Albany, NY 12247

Dear Senator Skelos,

On behalf of the Securities Industry and Financial Markets Association^[1] (“SIFMA”), I thank you for your support of last year’s Corporate Tax reform and look forward to working with you on New York City adoption of these important amendments. As a direct result of this reform, New York State has significantly improved its corporate tax climate and has moved into the top 20 states in the Tax Foundation’s annual Corporate Tax Rankings. It is critically important to the securities industry that this reform be expanded to New York City.

The securities industry directly employs almost 200,000 individuals across New York State and over 167,000 individuals in New York City. Additionally, nearly 30% of financial services employees working outside of the City are employed in the Nassau-Suffolk metropolitan region, and southwestern Nassau County alone is the place of business for 20 Broker-Dealers (over 10% of non-City Broker-Dealers) and 2,620 Registered Representatives.

At this important juncture, SIFMA is once again seeking your leadership and asking you to expand New York State corporate tax reform to New York City. Such expansion would allow firms that employ nearly 90% of New York State securities industry employees to fully realize the benefits of the corporate tax reform that has been so long in the making. The recalibration of the City’s tax laws (contained in Part QQ of the Executive Budget and A. 6009) will more accurately reflect the realities of the current business environment, create clarity and certainty in the most commonly disputed areas of law, and conform closely to the corporate tax amendments enacted last year by New York State.

With the country’s economy expanding rapidly, now is the time to ensure New York’s businesses, and the taxes they pay, are on par with other states. As such, we are asking you to support the implementation of New York City corporate tax reform by including Part QQ in the final budget bill.

Additionally, we thank you for including a repeal of the Stock Transfer Tax (Part WW) in S. 4209, which your conference has consistently supported over the years. As you know, this tax is

^[1] SIFMA is the voice of the U.S. securities industry, representing the broker-dealers, banks and asset managers whose 889,000 employees provide access to the capital markets, raising over \$2.4 trillion for businesses and municipalities in the U.S., serving retail clients with over \$16 trillion in assets and managing more than \$62 trillion in assets for individual and institutional clients including mutual funds and retirement plans. SIFMA has offices in both New York and Washington, D.C. For more information, please visit <http://www.sifma.org>.

instantly rebated to taxpayers, and its repeal would decrease the administrative burden on both taxpayers and the State of New York, without causing any loss of revenue to the State.

We truly appreciate your continued support of the industry and look forward to working with you on these issues going forward. If there is any further information we may be able to provide, or any questions we may be able to answer, please contact Nancy Lancia of SIFMA's State Government Affairs at 212-313-1233, or nlancia@sifma.org, or SIFMA's Albany counsel, Robert Reid, at 518-465-7330.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ken Bentsen", with a long horizontal flourish extending to the right.

Kenneth E. Bentsen, Jr.
President & CEO