



NEW YORK SET TO INCREASE INCOME TAXES ON HIGH EARNERS

April 8, 2021

Governor Cuomo and New York legislators recently announced an agreement on New York's budget that includes a significant increase for the income tax rates that will be charged against New Yorkers with high levels of income. The bill is expected to pass.

The proposed bill increases the top personal income tax rate from 8.82% to 9.65% for individuals with income over \$1,000,000 or joint filers with more than \$2,000,000 of income. It also adds two new top income tax brackets. For those earning between \$5,000,000 and \$25,000,000, the income in that bracket will now be taxed at 10.30%. For those with income over \$25,000,000, that income will now be taxed at 10.90%. For those that live in New York City, there is an additional 3.876% tax on income.

It does not appear that any changes to the New York estate tax regime are included in the proposed bill.

If you have any questions, please reach out to your Cummings & Lockwood LLC attorney.