NYC 9/11 Public Portal Document

NEWSDAY, WEDNESDAY, DECEMBER 5, 2001

Sources: Pataki Weighing Hike in Cigarette Tax

THE ASSOCIATED PRESS

Albany — Gov. George Pataki, facing a multibillion-dollar revenue shortfall related to the Sept. 11 terrorist attack, is considering raising the state's already highest-in-the-nation cigarette tax by up to 39 cents per pack, sources said yesterday.

The sources, familiar with the deliberations of Pataki's budget advisers and speaking on condition of anonymity, said the cigarette tax increase was one proposal under consideration as the governor seeks to deal with a potential $9 billion revenue shortfall.

Pataki, during an appearance in nearby Troy with state Senate Majority Leader Joseph Bruno (R-Brunswick), refused to rule out such an increase.

"I'm not going to comment on any specific element of the budget because we haven't put it together yet," he said. "We're doing our analysis and we'll begin making decisions over the course of the next few weeks."

A cigarette tax increase, first reported Tuesday by the Buffalo News, would raise New York's per pack tax to $1.50. Currently, New York's $1.11 per pack state tax is the highest in the nation.

There also has been some talk among state leaders about delaying already scheduled tax cuts due to take effect next year, but Pataki and legislative leaders have not yet come up with specifics.

CITY_21MC100_01183373 2

NYC-WTC_000415512