

***New legislation announced today increases the income surtax limits so it affects fewer Long Island and high cost of living area families***

Washington, DC – On Thursday, Reps. Steve Israel (NY-02) and Tim Bishop (NY-01) announced changes they helped secure in the House of Representatives health insurance reform legislation to protect Long Island families from a new tax. Reps. Israel and Bishop lobbied the House leadership to increase the income thresholds for the surtax in an effort to protect Long Islanders and others in high cost of living areas from being hit by the tax.

“Too often high cost of living areas end up paying an unfair tax burden because of higher local income levels. What’s wealthy in Pine Bluff, Arkansas is often middle class in Plainview, New York. That’s why I worked to increase the income thresholds in the health insurance reform bill so fewer Long Island families would be hit. The House leadership listened and now the surtax will only apply to individuals making more than \$500,000 and families making more than \$1 million,” said Rep. Israel.

“I am pleased that the House leadership responded to our request that the income limits be raised so that middle class families on Long Island are not taxed unfairly. This is an important step forward in the process, but we still have more to do. I will continue to fight to ensure that the final bill makes access to affordable health care more secure and stable for all Long Islanders,” said Rep. Bishop

In the first version of health insurance reform legislation proposed in the House of Representatives, a surtax ranging from 1 percent to 5.4 percent applied to individuals making more than \$280,000 and families making more than \$350,000. Today, the House leadership unveiled the Affordable Health Care for America Act of 2009 (H.R. 3962) which included income thresholds for the surtax of \$500,000 for an individual and \$1 million for a family. Only income in excess of the threshold would be taxed.

Reps. Israel and Bishop asked the House leadership for changes to increase the income thresholds. They argued that families in high cost of living areas already face higher health care costs and that the initial income thresholds would mean those families would face an unfair burden.

Rep. Israel serves on the House Appropriations Committee. Rep. Bishop serves on the House Education and Labor Committee.