

Name _____

Cracking the Code: Understanding New York State's Tax Structure

Short Answer Key

1. Estate taxes in New York are designed to tax the value of a deceased person's estate. Recent changes have increased the exemption threshold, allowing estates below a certain value to be exempt from estate taxes.
2. A progressive tax rate in New York's income tax system means that individuals with higher incomes pay a higher percentage of their income in taxes as their income level increases.
3. Local municipalities can impose additional sales taxes, which vary by location, impacting the actual sales tax rate paid by consumers.
4. Excise taxes are typically imposed on specific goods like tobacco, alcohol, and gasoline in New York. They are often referred to as "sin" taxes.
5. Common tax credits and deductions in New York include those for low-income families, property tax relief, and incentives for businesses creating jobs or investing in specific industries.
6. Taxpayers in New York can file their state income tax returns electronically through the state's tax website or by mail. The typical deadline for filing is April 15th.

