

February 1, 2021

Cuomo Says NYS Tax Increases Are On the Horizon

Governor Cuomo says NYS will need to raise taxes to bridge its current budget deficit of \$8.7 billion due to the \$13.5 billion drop in state revenue from its February projections.

Nearly 50% of the state's revenue comes from the personal income tax. The Budget Director previously noted about half of that revenue comes from the highest earning 2% of taxpayers.

"Raising taxes will result in the continuation of the exodus from this state" said Senate Minority Leader Ortt. *Wall Street Journal 12/10/20 p. A12A.*

We wonder how much of the decline in NY revenue is due to the extreme lockdowns of the state, which has caused people to have their income reduced and the exodus of New Yorkers, which will cause them to pay their taxes to states other than New York.

A rise in NY taxes will likely cause those New Yorkers currently residing in NY to contemplate moving elsewhere.

If you are considering moving and need financial or tax advice in connection with such move, please feel free to call us.

Census Predicament

The results of the 2020 census are in. There are now 332 million residents in the United States (cannot say citizens according to the Supreme Court). One way that we do count people is by using racial and ethnic categories, which creates a predicament according to Kenneth Prewitt, the former Director of the U.S. Census Bureau. The race question on the census is incoherent because race is incoherent. Take for example, Kamala Harris, is she Indian (from Asia) because of her mother, or African American because of her father who was from the Caribbean. Among Black adults, about 12% are immigrants.

Asked to identify race on the census 26% of Hispanics mark the box for OTHER. Today, more than 10% of babies born in the U.S. have one white and one non-white parent. In one survey only 25% of Latinos saw themselves as a group that remains distinct over generations.

History suggests that the mainstream shifts and grows as assimilation propels once marginalized groups up the socioeconomic ladder. It is what happened after World War II to Italian and Polish Catholics and Eastern European Jews whose parents arrived a century ago in the last great immigration surge. *The Predicament of Counting Americans by Race. The Wall Street Journal 11/28 – 29/20 p. C1.*

Putting 2020 U.S. Deaths in Perspective

Total Deaths from the Centers of Disease Control and Prevention:

2015	2,712,630
2016	2,744,248
2017	2,813,503
2018	2,839,205
2019	2,855,000 (provisional count)
2020	2,728,104 (through 12/11/20)

The CDC reported that an estimated 198,081 excess deaths between late January and early October 2020 are attributable to the virus.

If this is so, then that means based upon a growing population of approximately 2% per year, either the deaths in the U.S. minus the virus would have gone down (unlikely given the trend shown above) or people would have died of something else (i.e. flu or pneumonia or cancer, etc.) or did and possibly the deaths were mislabeled and the CDC's statements are unreliable.

Putting 2020 NJ Deaths in Perspective

Total Deaths from NJ Dept of Health Office of Vital Statistics:

2015	72,328
2016	73,215
2017	74,881
2018	75,798
2019	74,547
2020	91,048 (as of 12/22/20)

Deaths By Month

	<u>2020</u>	<u>2019</u>
Jan	6,925	6,904
Feb	6,243	6,343
Mar	7,985	6,735
Apr	17,895	5,947
May	9,591	6,069
June	6,334	5,784
July	6,128	5,950
Aug	5,965	5,850
Sept	5,892	5,692
Oct	6,169	6,173
Nov	6,967	6,275
Dec	4,954 (part month)	6,825 (full month)

If March, April and May are the only unusual months in the past 72 months, so why are we still in a lockdown with schools and activities closed? Note after May there aren't any surges.

Diabetes & COVID-19

Living with diabetes - a disease that interferes with the body's production of insulin, a hormone needed to process the glucose, or sugar, in food has always been complicated. It requires changing exercise and dietary habits, frequently testing blood glucose levels and sometimes taking insulin or other medication. Without these steps, uncontrolled blood glucose levels can lead to heart disease, nerve damage, blindness, kidney disease, and more.

But, the arrival of COVID-19 has multiplied those challenges. As a result, many of the estimated 34 million Americans with diabetes (about 1 in 10 people) and 88 million with prediabetes (about 1 in 3 adults) may be fighting for their lives in more ways than one.

There are some things that are unique to diabetes and COVID. If blood glucose levels are uncontrolled, the risk of COVID complications and even death increases. A Center for Disease Control and Prevention analysis of 2,681 people under age 65 who died with COVID found almost 50% of them also HAD DIABETES (Add to the 50%, 40% who died in Nursing Homes and that is 90% of all deaths!)

Doctors are seeing an increase in insulin resistance - an inability to use insulin to absorb glucose in patients with diabetes and COVID causing blood glucose levels to sky rocket. In addition, doctors are reporting cases of first time ketoacidosis - a diabetes complication in which the body breaks down fat instead of glucose for energy, resulting in a potentially fatal buildup of acids in the blood.

Another cause for concern is that COVID and the steroids sometimes used to treat it can cause dangerously high blood sugar levels. Emerging research even suggests COVID MAY TRIGGER diabetes in some people who do not yet have the disease.

What's more, diabetes often goes hand in hand with other health concerns that make it more difficult to battle COVID such as obesity, heart disease, and kidney disease, many of which can impair blood flow. When you are trying to heal an infection (like COVID) you need all the good healing properties that flow through the blood.

Diabetes rates are especially high in Black, Hispanic and Indigenous people - one of the likely reasons these groups have been disproportionately affected by COVID. Their COVID mortality rate is more than 3 times than that of whites of the same age, according to an analysis by APM Research Lab.

People of color also face more obstacles when trying to manage diabetes. A new Consumer Reports survey of 2,911 people who have diabetes or live with someone who does found that Hispanic people report challenges finding healthy food more often than do white people. Black and Hispanic people say the pandemic has made it harder to pay for diabetes medications and supplies such as glucose monitors and test strips. No surprise, then, that the survey found Black and Hispanic people with prediabetes or diabetes are far more apt than white people to say they are extremely concerned about falling ill with COVID. *Consumer Reports January 2021 p. 36 & 37.*

As always, if you have any questions about these or any other matters, do not hesitate to call us.