Shocking. That's the only word to describe the increase in inequality between the wealthiest and the working class here in New York State.

Data from an analysis by the Fiscal Policy Institute, an independent research organization, shows that from 1980 to 2007, the average adjusted gross income of the top 1 percent of state earners has increased 500 percent, while the average income of the bottom 50 percent of state earners decreased nearly 13 percent.

Tack onto this mounting income inequality the fact that over the past three decades, New York has cut income taxes for the wealthiest in half. How can we look at this picture and not think that our state is seriously on the wrong track?

There are many ways Gov. Andrew M. Cuomo and the New York State Legislature could address this growing unfairness. But rather than deal with these facts, the governor and legislature have decided to allow the an income-tax surcharge on the state's highest earners expire at the end of this year, essentially giving a $5-billion tax break to the state's wealthiest residents. The governor and legislators should reconsider.

Many, including the governor, are arguing that extending the current surcharge -- on individual taxable incomes, after deductions, of $200,000 or more, and joint incomes of $300,000 or more -- would cause New York's high rollers to flee our state en masse. That argument might be convincing if there were any evidence that the surcharge, which was enacted in 2009 for two years, has caused the wealthy to leave already. But there isn't.

In fact, the reality is quite the opposite. The Phoenix Affluent Marketing Service, a marketing research firm based in Dutchess County, found a 10 percent increase in millionaire households in New York from 2009 to 2010.

Data from the early 2000s also rebuts this prevalent myth. Back in 2003, both the state and New York City implemented a temporary surcharge on incomes greater than $100,000. A 2007 study by then-New York City Comptroller Bill Thompson, using data from the 2005 American Community Survey, found that households with incomes of $250,000 or more were least likely to leave the city in 2004 -- the year after the implementation of the temporary income tax surcharge.

A recent Siena Research Institute poll showed that 68 percent of suburban voters support increasing taxes on New Yorkers earning more than $1 million per year. That's more than two-thirds of suburbanites calling for a millionaire's tax. Yet not one member of Long Island's State Senate delegation has taken the lead on this issue and called for a fairer tax structure for the Island's hardworking families.
When the surcharge expires, the highest earning New Yorkers will go back to paying the same tax rate as significantly lower earners. An individual with taxable income of $200,000 or even $1 million will pay the same 6.85 percent state tax rate as an individual whose taxable income is $20,000. That's incredibly unfair, particularly in the state found by the most recent census to have the greatest level of income inequality in the nation.

Extending the "millionaire's tax" would allow us to restore the worst state aid cuts to local schools, as well as cuts to human services and county governments -- addressing current needs and investing in future prosperity. We could start a real job creation effort, rebuilding our infrastructure and improving energy efficiency. Our state's recent economic and fiscal policy has been so focused on slashing spending and fearful of raising tax revenue -- even from the wealthiest -- that we haven't even been able to consider the kinds of possibilities that would do much to strengthen the economic health of the Island and our state for the long term.

According to a report by the Center for Working Families, less than 5 percent of New Yorkers have incomes greater than $200,000, and less than 1 percent earn $1 million or more per year. It's time Gov. Cuomo and the legislature stop being afraid of a mythical millionaire exodus, and start looking out for the other 95 percent of New Yorkers.

Lisa Tyson is director of the Long Island Progressive Coalition, a grassroots advocacy group.