

1 **NYSAC 2020 Legislative Conference**
2 **Standing Committee on Taxation and Finance**
3 **Resolution #1**

4 **Resolution Calling on the Governor and State Legislative Leaders to Provide**
5 **Counties with Permanent Local Authority Over Existing Sales Tax Rates**

6 **WHEREAS**, counties continue to face significant challenges in balancing their budgets
7 while also meeting the goals of the state-imposed property tax cap; and

8 **WHEREAS**, growing state and federal budget deficits subject all downstream local
9 governments to funding cuts and cost shifts, fostering uncertainty and instability for
10 local budgets and taxpayers; and

11 **WHEREAS**, the two primary revenue sources for counties are the property tax and
12 local sales tax; and

13 **WHEREAS**, it is critically important for counties to have confidence and stability in
14 their revenue projections to efficiently and prudently manage their annual operating
15 budgets, and this stability is even more critical for counties to develop and implement
16 long-term capital and infrastructure plans; and

17 **WHEREAS**, the State has made the property tax cap permanent, therefore limiting a
18 key county revenue in the face of rising costs and service needs in our communities; and

19 **WHEREAS**, in recent years, five counties have seen their home rule revenue authority
20 held hostage in unrelated state policy fights, resulting in the temporary lapse of local tax
21 revenues; and

22 **WHEREAS**, the loss of these revenues caused fiscal stress and budget uncertainty for
23 these counties while increasing pressure on property taxes, and this threat extends to all
24 counties under the current state sales tax renewal process; and

25 **WHEREAS**, counties, in addition to addressing local quality of life services expected by
26 taxpayers, must also administer and pay for more than 40 state and federal programs
27 that can consume up to 80% of a county's entire budget; and

28 **WHEREAS**, local elected officials rely on their home rule authority to determine what
29 balance of local taxes works best in their community; and

30 **WHEREAS**, New York City was granted permanent local authority over their sales tax
31 rate a decade ago, while county requests for the same authority have been repeatedly
32 denied; and

33 **WHEREAS**, in the case of sales tax, counties often share the revenues with cities,
34 towns, villages and school districts to help pay for services delivered by these
35 municipalities, or to directly lower the amount of property taxes levied in these
36 jurisdictions; and

1 **WHEREAS**, the pass-through of local sales tax revenue from counties to other
2 municipalities will likely exceed \$2 billion in 2019; and

3 **WHEREAS**, making existing local sales tax rates permanent still allows for appropriate
4 state legislative review in the future upon any rate change; and

5 **WHEREAS**, permanent home rule sales tax authority will provide more budget
6 certainty and stability for counties and local taxpayers; and

7 **WHEREAS**, providing counties permanent home rule sales tax authority at existing
8 rates will eliminate numerous administrative and duplicative requirements for
9 paperwork, forms, legislative hearings, filings and public notices, resulting in improved
10 government operations and fiscal savings at both the state and local levels.

11 **NOW, THEREFORE, BE IT RESOLVED**, the New York State Association of
12 Counties (NYSAC) calls upon the Governor and State Legislature to provide parity with
13 New York City by granting permanent home rule sales tax authority to counties at their
14 current tax rates; and

15 **BE IT FURTHER RESOLVED**, the home rule process should be reformed so it works
16 as efficiently as possible for local taxpayers, eliminates unnecessary and duplicative
17 legislative activity at the state and local level, while retaining state legislative review for
18 future amendments; and

19 **BE IT FURTHER RESOLVED**, that copies of this resolution be sent to the counties
20 of New York State encouraging member counties to enact similar resolutions; and

21 **BE IT FURTHER RESOLVED**, NYSAC shall forward copies of this resolution to
22 Governor Andrew M. Cuomo, the New York State Legislature and all others deemed
23 necessary and proper.