

1 **NYSAC 2022 Legislative Conference**  
2 **Standing Committee on Taxation and Finance**  
3 **Resolution #2**

4 **Resolution Supporting the Governor’s SFY 2023 Budget Proposal to**  
5 **Permanently Extend all Existing Local Sales Tax Rates, and to Allow All**  
6 **Counties to Set Their Local Rate up to Four Percent Under Local Law**

7 **WHEREAS**, for many years, counties have faced significant challenges in balancing  
8 their budgets and providing local services, while also meeting the goals of the property  
9 tax cap and state requirements to pay for and administer a wide variety of state  
10 programs; and

11 **WHEREAS**, numerous state actions have fundamentally altered the home rule  
12 authority granted to counties in the state constitution and further supplemented in state  
13 law, resulting in county elected leaders losing control and authority over the ability to  
14 generate and determine the use of locally raised revenues for local purposes; and

15 **WHEREAS**, these repeated state actions include;

- Expanding existing state programs and creating new ones that counties must pay for and administer with limited or no state resources to support higher costs,
- Reducing the state’s funding in support of their own programs and requiring local taxpayers to pay more,
- Withholding hundreds of millions of dollars of enhanced federal Medicaid matching funds owed to counties for years,
- Diverting, and redirecting the use of, local sales tax for state spending purposes, and
- Authorizing the state to cut hundreds of millions of dollars in state reimbursements to counties when the state finds itself in financial trouble due to overspending or a recession, even in the midst of a pandemic; and

16 **WHEREAS**, these actions over many decades now require counties to administer and  
17 pay for more than 40 state programs that can consume up to 80 percent of a county’s  
18 entire budget; and

19 **WHEREAS**, local elected officials rely on their home rule authority to determine what  
20 mix of local taxes is the least burdensome in their community; and

21 **WHEREAS**, county elected officials should not have to wait months, or years, for the  
22 State Legislature to convene and finally approve a local home rule revenue request to  
23 raise necessary resources to respond to critical community needs, especially in the  
24 middle of a national emergency; and

25 **WHEREAS**, the loss of these revenues causes fiscal stress and budget uncertainty for  
26 counties, while increasing pressure on property tax rates; and

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

4 **WHEREAS**, even during the pandemic the pass through of county sales tax revenue to  
5 cities, towns, and villages reached nearly \$2 billion in 2020; and

6 **WHEREAS**, counties have found their local home rule revenue requests and renewals  
7 held hostage by state elected officials as political bargaining chits; and

8 **WHEREAS**, New York City was granted permanent local authority over their sales tax  
9 rate of 4.5 percent more than a decade ago, while county requests for the same authority  
10 for sales tax permanency have been repeatedly denied; and

11 **WHEREAS**, the Governor’s proposed state fiscal year 2023 budget includes a provision  
12 that would make all existing county sales tax rates permanent and allow all counties to  
13 set their local tax rate up to four percent under local law; and

14 **WHEREAS**, granting this authority will provide more budget certainty and stability,  
15 including helping with county credit ratings; in addition to reducing administrative  
16 expense and duplication of effort to process the necessary paperwork, forms, legislative  
17 hearings, filings and notices, resulting in improved government operations and fiscal  
18 savings at both the state and local levels.

19 **NOW, THEREFORE, BE IT RESOLVED**, the New York State Association of  
20 Counties applauds, and strongly endorses, the Governor’s state fiscal year 2023 budget  
21 proposal that will provide parity with New York City by granting permanent home rule  
22 sales tax authority to counties at their current rate or up to four percent; and

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

25 **BE IT FURTHER RESOLVED**, the New York State Association of Counties shall  
26 forward copies of this resolution to Governor Kathy Hochul, the New York State  
27 Legislature and all others deemed necessary and proper.