NYSAC 2023 Legislative Conference
Standing Committee on Taxation and Finance
Resolution #1

Resolution Calling on State Legislative Leaders to Permanently Extend all Existing Local Sales Tax Rates as Proposed by the Governor in the SFY 2024 Budget, and Allow Counties to Set Their Local Rate up to Four Percent Under Local Law

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

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

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

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

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

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

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

WHEREAS, the pass through of local sales tax revenue from counties to cities, towns, and villages was $2.45 billion in 2022; and

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

1 **WHEREAS**, New York City was granted permanent local authority over their sales tax
2 rate of 4.5 percent in 2009, while county requests for the same authority have been
3 repeatedly denied; and
4
5 **WHEREAS**, the Governor's proposed state fiscal year 2024 budget includes a provision
6 that would make all existing county sales tax rates permanent and allow all counties to
7 set their local tax rate up to four percent under local law; and
8
9 **WHEREAS**, granting this authority will provide more budget certainty and stability;
10 while reducing administrative expense and duplication of effort to process the necessary
11 paperwork, forms, legislative hearings, filings and notices, resulting in improved
12 government operations and fiscal savings at both the state and local levels.
13
14 **NOW, THEREFORE, BE IT RESOLVED**, the New York State Association of
15 Counties supports the Governor's state fiscal year 2024 budget proposal that would
16 provide parity with New York City by granting permanent home rule sales tax authority
17 to counties at their current rate or up to four percent; and
18
19 **BE IT FURTHER RESOLVED**, we urge legislative leaders to reform the home rule
20 process so it works as efficiently as possible for local taxpayers, eliminates unnecessary
21 and duplicative legislative activity at the state and local level, while retaining
22 appropriate state legislative review; and
23
24 **BE IT FURTHER RESOLVED**, that copies of this resolution be sent to the counties
25 of New York State encouraging member counties to enact similar resolutions; and
26
27 **BE IT FURTHER RESOLVED**, the New York State Association of Counties shall
28 forward copies of this resolution to Governor Kathy Hochul, the New York State
29 Legislature and all others deemed necessary and proper.