

HOME RULE MESSAGE REQUESTING THE STATE OF NEW YORK TO AMEND THE TAX LAW TO EXTEND THE ADDITIONAL ONE-PERCENT SALES AND COMPENSATING USE TAX RATE (SENATE BILL S. 5956 ASSEMBLY BILL A.7606)

WHEREAS, Section 1210 of the New York Tax Law allows counties to adopt and amend local laws or resolutions imposing sales and compensating use tax at the rate of up to three percent (3%); and

WHEREAS, Section 1210 of the New York Tax Law was amended in 1991, 1992, 1993, 1995, 1997, 1999, 2001, 2003, 2005, 2007, 2009, 2011, 2013 and 2015 to provide special authorization for Suffolk County to increase its sales and compensating use tax rate above the three percent (3%) by an additional one percent (1%); and

WHEREAS, the Suffolk County sales and compensating use tax, including the additional one percent (1%), remains a critical source of revenue to the County to fund programs and services and to balance the County's budget; and

WHEREAS, pursuant to Section 1262-j of the New York Tax Law, of the net collections received from the additional one percent (1%) of sales and compensating use tax rate authorized by Section 1210 of the New York Tax Law, Suffolk County must dedicate no less than one-eighth (1/8) percent and no more than three-eighths (3/8) percent to public safety purposes; and

WHEREAS, the State authorization for Suffolk County to include in its sales tax rate the additional one percent (1%) extends through November 30, 2017 and expires thereafter; and

WHEREAS, the lingering effects of the prolonged national economic recession, the slowdown of the housing market and loss of associated revenue, increases in pension and health insurance contributions, and the increasing costs to provide health and human services programs to the people of Suffolk County, continue to stress the County's budget, necessitating the extension of the special authorization to maintain the sales and compensating use tax at one percent (1%) above the 3% otherwise authorized by law, as part of a comprehensive plan to balance the County's budget and maintain sound fiscal standing; now, therefore be it

1st RESOLVED, that this Legislature, in accordance with the provisions of Section 40 of the New York Municipal Home Rule Law, and joining with the County Executive, hereby finds and declares that the facts recited in the above WHEREAS clauses establish the necessity for the enactment of Senate Bill S.5956 and Assembly Bill A.7606, which authorize Suffolk County to extend the sales and compensating use tax by an additional rate of the one percent (1%) from December 1, 2017 through November 30, 2019; and be it further

2nd RESOLVED, that the Clerk of this Legislature is hereby directed to forward copies of this Resolution to Governor Andrew M. Cuomo; to the Majority Leader of the New York State Senate, John J. Flanagan; to the Speaker of the New York State Assembly, Carl E. Heastie; to the Minority Leaders of the New York State Senate and the New York State Assembly; and to each member of the Long Island delegation to the New York State Legislature.

DATED: May 16, 2017