

A Resolution to Revise Town of Enfield Procedures for the Receipt of Sales Tax Revenue

RESOLUTION #2024-_____

WHEREAS, by Resolution #2010 -35, the Enfield Town Board in 2010 resolved to take its assigned portion of Tompkins County Sales Tax as a Tax Warrant Credit, said money applied to reduce the County's Property Tax rate, rather than to be taken as a direct payment to assist this Town in meeting its own budgetary obligations; and

Whereas, Sales Tax receipts in Tompkins County comprise the second-largest source of revenue for Tompkins County, those receipts falling behind only property taxes in revenue generation; and with total Sales Tax receipts predicted to top \$43 Million countywide for both 2024 and 2025; and

Whereas, local municipalities, including the Town of Enfield, stand entitled to receive a portion of Tompkins County's four per cent (4%) local share of Sales Tax revenue, that local share apportioned outside the City of Ithaca on the basis of population under terms of a two-tiered Sales Tax Distribution Agreement adopted by the County and City of Ithaca in 1998, and still in effect; and

Whereas, in both 2022 and in 2023, the Enfield Town Board considered, but then declined to rescind its earlier Board's action of 2010 so as to again accept its entitled Sales Tax revenue directly, rather than have it applied as a credit to the County Property Tax; and

Whereas, during both the 2023 and 2024 Budget preparation cycles, this Town Board found it increasingly difficult to constrain its Property Tax levy without the ability to draw upon its entitled Sales Tax revenue to offset necessary expenses; and

Whereas, this Town Board believes that the circumstances underlying the decision of 2010 are no longer applicable, and that fairness and equity dictate a change; and

Whereas, any minor financial benefit that the current practice may accrue to Enfield taxpayers through the apportionment of Payment in Lieu of Tax (PILOT) revenues fails to override the broader principle that the Town of Enfield should receive the Sales Tax revenue it rightly deserves; therefore be it

RESOLVED, that the Town of Enfield hereby RESCINDS afore-referenced Resolution #2010 – 35, and states that the Town of Enfield no longer chooses to use Sales Tax revenues to offset the County Tax Warrant, but rather directs its Supervisor to request that the Town of Enfield's municipal share of Sales Tax revenues be paid directly to the Town, beginning with the budget year that commences on January 1, 2025; and be it further

RESOLVED, that the Enfield Town Clerk will provide the Tompkins County Administrator, the Tompkins County Director of Finance, the Director of Assessment, and any other parties involved in Sales Tax distribution matters a copy of this resolution as approved by the Enfield Town Board; and be it further

RESOLVED, that the Enfield Town Clerk or Supervisor shall include an explanation of the impact of this change as it affects residents' Town and County Property Taxes as an enclosure to residents' 2025 tax bills, to whatever extent the law permits.