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

RESOLUTION #2022-__________

WHEREAS, Tompkins County has experienced rapid and unprecedented growth in Sales Tax revenue in recent years, and continues to set records in Sales Tax receipts during the months of economic recovery from the COVID-19 pandemic; and

WHEREAS, local municipalities, including the Town of Enfield, stand entitled to a portion of the 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

WHEREAS, on July 14, 2010, by Resolution #2010 -35, the Enfield Town Board 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, the concerns voiced by this Town Board in 2010 that an "unstable and unpredictable" economic climate and a feared continued decline in Sales Tax revenues could leave this Town in an "insecure position," unable to provide its residents basic services, are concerns no longer relevant under present economic conditions; and

WHEREAS, current inflationary challenges now dictate that the wise and prudent course of action is for the Town of Enfield to receive its apportioned Sales Tax receipts as a direct payment, enabling this Town to meet its budgetary obligations without overburdening taxpayers; therefore, be it

RESOLVED, that the Town of Enfield hereby RESCINDS afore-referenced Resolution #2010 – 35, and hereby states that the Town of Enfield no longer wishes to use Sales Tax monies 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, 2023; and be in further

RESOLVED, that the Enfield Town Clerk will provide the Tompkins County Administrator, the Tompkins County Director of Finance, and any other parties involved in Sales Tax distribution matters a copy of this resolution as approved by the Enfield Town Board at its regular meeting held on May 11, 2022; 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 taxes as an enclosure to residents' 2023 tax bills, to whatever extent the law permits.

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