

**COUNTY OF ERIE**

**STEFAN I. MYCHAJLIW**

**ERIE COUNTY COMPTROLLER**

PRESS RELEASE

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**Sales Tax Revenue Declines**

*Administration predicted 3.73% annual growth from 2012 to 2013. Actual growth for the first eleven months of the year is 3.02%. That represents a $2.9 million hole in this year’s budget*

(Buffalo) – Erie County Comptroller Stefan I. Mychajliw is reporting January 2013 - November 2013 sales tax revenue for Erie County to be $385,906,118. That represents year-to-date sales tax revenue growth of 3.02% for the first eleven months of the year. The actual sales tax growth for the first eleven months of the year falls far short of the administration’s projection of 3.73% growth. If this downward trend continues, it would represent a $2.9 million gap in the 2013 budget.

Administration’s projected Year-To-Date growth: 3.73%

Actual Year-To-Date Growth for eleven months: 3.02%

“As Comptroller, I’d like to see larger growth in sales tax revenue. It’s what keeps county officials from having to further tax the already over taxed property tax payers. This shortfall will present some minor budget challenges and I look forward to working with the administration and legislature to see that we overcome them,” said Erie County Comptroller Stefan I. Mychajliw.

**Potential Budget Gaps Based on 2013 Sales Tax Growth**

Actual 2013 Year-to-Date 3.02%: - $2,909,601

1%: - $11,206,151

2%: - $7,098,948

3%: - $2,991,745

3.73%: $0

“If we are to meet the sales tax revenue projections set by the administration, revenue must grow 11.08%and generate $426,033,687 for the remainder of 2013,” said Mychajliw. “This is unlikely to happen,” he added.

2011 Sales Tax Revenue: $400,993,639

2012 Sales Tax Revenue: $410,720,332

2013 Projected Sales Tax Revenue: $426,033,687

The year-to-date sales tax revenue growth for the first eleven months of 2013 (January-November) is 3.02%.

January-November 2012 Sales Tax Revenue: $374,596,801

January-November 2013 Sales Tax Revenue: $385,906,118

Year-to-Date Difference: + $11,309,317 or + 3.02%

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The budget gap figures comes on the heels of the Office of Erie County Comptroller releasing actual revenues received for November 2013 sales tax:

November 2012 Sales Tax Revenue: $42,199,988

November 2013 Sales Tax Revenue: $42,686,880

Difference: $486,893 or 1.15%

“The Offices of Erie County Comptroller and the Erie County Executive are at least on the same page concerning this issue, with the administration publicly presenting numerous warnings about their own sales tax revenue projections. Now it’s time for us to work together on behalf of the taxpayers to ensure this shortfall doesn’t negatively impact the services those we represent expect and deserve,” added Comptroller Mychajliw.

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