



STEFAN I. MYCHAJLIW

ERIE COUNTY COMPTROLLER

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Contact – Jessica L. O’Neil, Communications Director
Desk: 716.858.4910 Mobile: 716.572.3552 Email: jessica.oneil@erie.gov

REPORT: ERIE COUNTY SHARES \$184 MILLION IN SALES TAX REVENUE WITH CITIES, TOWNS & VILLAGES

Erie County Comptroller Stefan I. Mychajliw Jr. releases report on how much revenue communities receive from the 1977 sales tax sharing agreement between Erie County, Cities, Towns and Villages

(ERIE COUNTY, NY) – Erie County Comptroller Stefan I. Mychajliw issued a report on the breakdown of the approximately \$183,687,315 in sales tax revenue Erie County shared in 2017 with three cities, 25 towns and 16 villages across the region. Based on a 1977 agreement between the County of Erie and the Cities of Buffalo, Lackawanna and Tonawanda, those three cities agreed not to collect their own sales tax.

For that concession, Erie County agreed to then share sales tax revenue with all of the cities, towns and villages across the area. The report concludes that without receiving the almost \$184 million in sales tax revenue, communities would have to implement massive tax increases, drastically cut spending, eliminate services or a combination of all three measures.

Any one of the four parties in the sales tax agreement can end the 1977 contract by simply providing one-year notice to the other three parties of the agreement.

III. That at any time subsequent to November 30, 1982, each party to this agreement shall have the right to terminate said agreement by giving one (1) year’s prior written notice, served upon each of the parties

Source: Agreement of Sales Tax Distribution, 30TH Day of December, 1977, between the County of Erie, The City of Buffalo, The City of Lackawanna and the City of Tonawanda

“Communities across Erie County would be crippled without this revenue. Schools would be hit with drastic cuts that will hurt students and teachers in the classroom. If you think roads are littered with potholes now, just imagine the negative impact of municipalities losing a combined \$184 million.”

“Our neighborhoods would experience a rapid decline without this shared sales tax revenue. It is a significant amount of money that is shared with our cities, towns and villages. Municipalities depend on this revenue, and I will fight to make sure the politicians don’t take it away. The revenue needs to stay right where it is,” said Erie County Comptroller Stefan I. Mychajliw Jr.

The three cities in Erie County: Buffalo, Lackawanna and Tonawanda, would be particularly hardest hit if the 1977 sales tax sharing agreement were dissolved. That is because under the current agreement, the three cities receive “two bites of the apple” when it comes to getting shared sales tax revenue.

According to the 1977 sales tax sharing agreement, the County keeps about 35%, school districts receive about 29%, the cities in Erie County share about 10% and the cities, towns and villages receive the remaining revenue, about 26%. As such, the three cities receive funds from two separate shares of sales tax.

The sales tax amounts shared with municipalities in 2017 were as follows: City of Buffalo - \$83,271,591; City of Lackawanna - \$5,780,988; City of Tonawanda - \$4,821,473; Town of Alden - \$1,004,554; Town of Amherst - \$17,671,593; Town of Aurora - \$1,452,459; Town of Boston - \$1,165,745; Town of Brant - \$352,470; Town of Cheektowaga - \$9,430,977; Town of Clarence - \$5,840,005; Town of Colden - \$513,649; Town of Collins - \$599,226; Town of Concord - \$694,658; Town of Eden - \$1,064,420; Town of Elma - \$2,123,181; Town of Evans - \$1,898,774; Town of Grand Island - \$3,132,934; Town of Hamburg - \$6,671,419; Town of Holland - \$482,728; Town of Lancaster - \$4,440,839; Town of Marilla - \$799,484; Town of Newstead - \$910,440; Town of North Collins - \$342,886; Town of Orchard Park - \$4,561,443; Town of Sardinia - \$425,867; Town of Tonawanda - \$7,943,379; Town of Wales - \$512,017; Town of West Seneca - \$6,138,324; Village of Akron - \$287,660; Village of Alden - \$338,703; Village of Angola - \$184,580; Village of Blasdell - \$247,169; Village of Depew - \$1,717,347; Village of East Aurora - \$969,901; Village of Farnham - \$37,053; Village of Gowanda - \$103,005; Village of Hamburg - \$1,203,788; Village of Kenmore - \$1,523,173; Village of Lancaster - \$951,360; Village of North Collins - \$97,982; Village of Orchard Park - \$469,545; Village of Sloan - \$246,707; Village of Springville - \$473,095; and Village of Williamsville - \$788,721.

“Taxpayers should not be punished by ripping up the 1977 sales tax agreement. Politicians need to understand: ‘if it isn’t broke, don’t fix it.’ Besides, a large source of sales tax revenue comes from Canadians shopping here. Our neighbors to the north supply a steady stream of the sales tax revenue we receive,” added Comptroller Mychajliw.

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