



**Report on  
Onondaga County 2024 Sales Tax Revenue**

**By Onondaga County Comptroller Martin D. Masterpole**

## **Background**

The majority of states in the U. S., including New York, charge a sales tax on retail goods and services. The tax is charged when certain goods and services (some are exempt) are purchased. The statewide sales tax rate in New York is currently 4%. Counties within New York can, and frequently do, impose their own local sales tax and Onondaga County is one of those counties. It charges an additional 4% on top of New York State's 4%. Thus, for taxable items and services in Onondaga County, an 8% sales tax is charged. The New York State Comptroller's Office reported that combined total sales tax revenue collected from all counties in New York State in 2024 was \$23.4 billion, an increase of 1.6% from 2023.

The New York State Department of Taxation and Finance is responsible for the collection of both the State portion as well as the County's portion of sales tax. The New York State Tax Commissioner certifies the amount to be distributed to the local governments and twice a month the New York State Comptroller's office distributes the certified amount to each local government office.

## **Sales Tax History**

During the Great Depression, many states turned to sales tax as a way to generate revenue. New York State (NYS) was one of the 23 states that adopted general sales tax. In 1933, NYS set a 1% tax for one year. Then in 1934 a local sales tax was authorized and issued for New York City. Soon after many other cities began to locally collect and administer sales tax.

In 1965, NYS imposed a statewide general sales tax and replaced the locally administered sales tax with a local option sales tax, all of which were administered by the New York State Department of Taxation and Finance.

## **Local History**

On September 11, 1967 the Onondaga County Board of Supervisors adopted Resolution No. 372 which imposed a tax on sales and use of taxable personal property, certain services, occupancy of hotel rooms and some admission charges and club dues pursuant to Articles 28 and 29 of the Tax Law of the State of New York. Numerous changes to the law have taken place over the years.

The County's local sales tax initially imposed was 3%. In 2004, an additional 1% sales tax and compensating use tax was authorized by New York State in order to ease the financial burdens imposed by State mandated costs. This additional tax allocation is revisited every two years. (NOTE: On April 1, 2025 the Onondaga County Legislature voted 16 - 0 to ask the State to keep the extra 1% in effect until 2027).

On May 4, 2010 the Onondaga County Legislature, via an amendment to Resolution No. 83-2010, established a new revenue sharing formula with the City of Syracuse and neighboring towns and villages (see Revenue Sharing below) for the years 2011-2020. On January 2, 2019, the Onondaga County Legislature approved an extension of the existing sales tax sharing agreement with Resolution No 8-2019. It extended the agreement through December 31, 2030 (see Attachment A).

## **Revenue Sharing**

Most counties in New York State share a portion of their local sales tax revenue with cities, towns and villages (and in some instances school districts) within their borders. Onondaga County is such a county and currently has the following distribution formula in place until 12/31/30: (See Attachment A)

- First 3% of the 4% tax collected - County retains 99.34% and distributes 0.66% to school districts.
- Last 1% of the 4% tax collected - County retains 1.58% and distributes 97.79% to the City of Syracuse and 0.63% to school districts.

The table below illustrates the 2024 allocation per the current agreement:

<b>Disposition of 2024 Sales Tax per Resolution No. 8-2019 covering the Years 2021 - 2030</b>			
<b><u>Presentation is based on 2024 Sales Tax of \$489 (million)</u></b>			
<b><u>Allocation per County Resolution of the First 3%</u></b>			
		<b><u>2024 Sales Tax</u></b>	
Equates to 75% of the Total Sales Tax		<u>\$</u>	<u>367</u>
County Purposes	99.34%	\$	365
City of Syracuse	-	-	-
Towns & Villages	-	-	-
School Districts *	0.66%	\$	2
Total of the 3%	100.00%	\$	<u>367</u>
<b><u>Allocation of the remaining 1%</u></b>			
Equates to 25% of the Total Sales Tax		<u>\$</u>	<u>122</u>
County Purposes	1.58%	\$	2
City of Syracuse	97.79%		119
Towns & Villages	-	-	-
School Districts *	0.63%	\$	1
Total of the 1%	100.00%	\$	<u>122</u>
Total 2024 Sales tax Revenue (per million)		<u>\$</u>	<u>489</u>
* Quarterly distribution to all school districts in the County based on total average daily attendance.			

A significant portion of Onondaga County’s annual revenue is generated from sales tax and since 2019 there have been mostly steady increases in the amount collected. With the exception of 2020, the year of the COVID-19 pandemic, sales tax income collected in Onondaga County has risen every year. It has gone from more than \$371 million in 2019 to in excess of \$489 million in 2024 (see chart below).

<b>Onondaga County Sales Tax Revenue (in millions)</b>				
Year	Amount	Amount Inc / (Dec)	Percentage Inc / (Dec)	
2019	\$ 371	\$ -	0%	
2020	\$ 362	\$ (9)	-2%	
2021	\$ 434	\$ 72	20%	
2022	\$ 457	\$ 23	5%	
2023	\$ 484	\$ 27	6%	
2024	\$ 489	\$ 5	1%	

Source: NYS Comptroller's Office

### **What’s Taxable & What Isn’t?**

Some examples of taxable personable property items are:

- Raw materials such as wood, cloth, or metal
- Manufactured items such as jewelry, furniture, machinery and appliances
- Motor vehicles, gasoline, oil, and chemicals
- Computers and prewritten computer software
- Artistic items such as paintings, sculptures, photographs and craft items
- Certain grocery store items such as soda, beer, candy, and bottled water

Some examples of taxable services include:

- Utility services such as gas, steam, electricity, refrigeration and telephone
- Food and beverages sold by restaurants, taverns and caterers
- Certain admission charges and dues
- Other selected services such as interior decorating, detective services

Some examples of sales tax exceptions include:

- Unprepared food
- Some grocery and clothing items
- Medicine

### **Peak Purchase Months**

The trends for the consumer spending vary based on a number of factors. There are, however, a few consistent trends such as an increase in spending in June and September, when summer begins and schools open, and in December as the holiday season begins.

The chart below illustrates a breakdown of Onondaga County's portion of the sales tax received per month:

<b>Onondaga County Monthly Share Sales Tax Revenue (in millions)</b>						
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
January	\$ 29	\$ 30	\$ 31	\$ 37	\$ 37	\$ 39
February	\$ 24	\$ 26	\$ 25	\$ 31	\$ 33	\$ 35
March	\$ 31	\$ 31	\$ 38	\$ 39	\$ 44	\$ 43
April	\$ 30	\$ 21	\$ 33	\$ 39	\$ 36	\$ 38
May	\$ 29	\$ 21	\$ 32	\$ 38	\$ 36	\$ 38
June (Summer begins)	\$ 34	\$ 33	\$ 51	\$ 37	\$ 50	\$ 47
July	\$ 31	\$ 27	\$ 35	\$ 35	\$ 39	\$ 39
August	\$ 31	\$ 28	\$ 35	\$ 35	\$ 37	\$ 40
September (Back to School)	\$ 36	\$ 45	\$ 42	\$ 49	\$ 50	\$ 47
October	\$ 29	\$ 29	\$ 34	\$ 36	\$ 37	\$ 38
November	\$ 30	\$ 29	\$ 34	\$ 35	\$ 37	\$ 40
December (Holiday Season)	\$ 37	\$ 42	\$ 44	\$ 46	48	\$ 45
<b>Total Sales Tax</b>	<b>\$ 371</b>	<b>\$ 362</b>	<b>\$ 434</b>	<b>\$ 457</b>	<b>\$ 484</b>	<b>\$ 489</b>

Source: NYS Comptroller's Office

### **Neighboring Counties**

Presented below for comparison purposes is sales tax revenue from bordering counties as well as some of the larger counties outside of New York City (NYC) in relationship to their respective population.

<b>2024</b>		
<b>Sales Tax Revenue (in Millions)</b>		
<b>Bordering Counties</b>		
<b>County</b>	<b>Amount</b>	<b>Population</b>
Cortland	\$40	45,945
Madison	\$41	67,072
Cayuga	\$59	74,567
Oswego	\$85	118,305
Onondaga	\$489	469,812
<b>Larger Counties outside of NYC</b>		
Broome	\$188	196,397
Albany	\$369	319,654
Onondaga	\$489	469,812
Monroe	\$635	752,202
Erie	\$1,038	950,602
<b>Source:</b>	NYS Comptroller's Office	Census.gov

### Summary

Onondaga County sales tax is referred to as local dollars and is approximately 24% of the total County revenue. Presented below is a listing where 2024 sales tax was allocated. The two major uses were for Medicaid as managed by the Department of Social Services – Economic Security and public safety as overseen by the Sheriff’s Office. This is illustrated in the chart below:

**Estimated Allocation  
Onondaga County's Retained Share  
of 2024 Sales Tax Revenue**

<b>Allocation</b>	<b>Amount in (millions)</b>	<b>Percent</b>
Social Services - Economic Security	\$ 103	28%
Sheriff's Office	77	21%
Children & Family Services	33	9%
Transportation (Road & Machinery Funds)	29	8%
Health	26	7%
Parks & Recreation	15	4%
Emergency Communications (E-911)	11	3%
Authorized Agencies	11	3%
District Attorney	7	2%
Onondaga Community College	7	2%
24 Others Received (1% or less)	48	13%
<b>Total</b>	<b>\$ 367</b>	<b>100%</b>

## Attachment A

January 2, 2019

008

Motion Made By Mr. Knapp

RESOLUTION NO. \_\_\_\_\_

AMENDING RESOLUTION NO. 372-1967, AS MOST RECENTLY AMENDED BY RESOLUTION NO. 83-2010, REGARDING THE IMPOSITION AND DISPOSITION OF SALES AND COMPENSATING USE TAX PURSUANT TO ARTICLES 28 AND 29 OF THE TAX LAW OF THE STATE OF NEW YORK

WHEREAS, continuing the schedule of disposition of sales and compensating use taxes in effect by the adoption of Resolution No. 83-2010, which amended Resolution No. 372-1967; and

WHEREAS, the Onondaga County Board of Supervisors, by Resolution No. 372-1967, imposed a tax on sales and use of tax pursuant to Articles 28 and 29 of the New York State Tax Law; and

WHEREAS, said resolution was amended by action of the County Board of Supervisors by Resolution No. 494 adopted on December 4, 1967; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 329 adopted on October 11, 1968; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 375 adopted November 4, 1968; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 509 adopted December 6, 1971; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 510 adopted December 6, 1971; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 64 adopted February 13, 1973; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 217 adopted May 1, 1978; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 301 adopted June 25, 1981; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 228 adopted June 7, 1982; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 230 adopted June 7, 1982; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 227 adopted June 19, 1990; and

WHEREAS, said resolution was further amended by the Onondaga County Legislature by Resolution No. 201 adopted June 14, 2000; and



WHEREAS, Resolution No. 372-1967 was most recently amended by Resolution No. 83-2010; and

WHEREAS, Onondaga County and the City of Syracuse made a contract numbered 17110 ("Agreement") governing the allocation of sales and compensating use taxes, executed May 5, 2010 and May 19, 2010, respectively, which Agreement was approved by the Comptroller of the State of New York in accordance with Section 1262 of the Tax Law of the State of New York; and

WHEREAS, Resolution No. 83-2010 is being amended to authorize amendment of the Agreement and to otherwise extend the date for an additional ten year period through December 31, 2030, subject to the adoption of authorizing legislation by the Syracuse Common Council and approval by the Comptroller of the State of New York in accordance with Section 1262 of the Tax Law of the State of New York; now, therefore be it

RESOLVED, (a), to extend the date for an additional ten-year period through December 31, 2030, Resolution No. 83-2010 hereby is amended in the First Resolved Clause of said Resolution regarding disposition of the net collections from the taxes so imposed in such Resolution, by adding the following:

For the period from January 1, 2021 to December 31, 2030:

- (1) 99.34% of such monies is hereby set aside for County purposes and shall be available for any County purpose.
- (2) 0% of such monies is hereby set aside and shall be allocated quarterly to the City of Syracuse.
- (3) 0% of such monies is hereby set aside and shall be allocated to the area in the County outside the City.
- (4) 0.66% of such monies is hereby set aside and shall be distributed quarterly to all school districts in the County of Onondaga in accordance with the total average daily attendance for the last preceding school year of pupils residing in each such district without regard to the location of the school attended provided, however, that in the case of school districts which are partially within and partially without the County such school district shall receive a distribution in accordance with the total daily attendance of the pupils in such school district who reside in the County of Onondaga and, in any such case, the amount raised by school taxes by the district from the portion of such district within the County of Onondaga shall be reduced by the amount as distributed. It is the desire of the Onondaga County Legislature that the amount to be raised by school taxes by the school districts shall at the discretion of the school district whenever feasible be reduced by the amount so distributed to each such school district pursuant to this section except as heretofore stated.

and, be it further

RESOLVED, (b), that Resolution No. 83-2010 hereby is amended in the Second Resolved Clause of said Resolution to extend the period for an additional ten years by striking "last day of December 2020" and substituting "last day of December, 2030"; and, be it further

RESOLVED, (c), that Resolution No. 83-2010 hereby is amended in the Second Resolved Clause of said Resolution to allow the City time to contract with the County by striking "May 24, 2010" and substituting "January 31, 2019"; and, be it further

RESOLVED, (d), that Resolution No. 83-2010 hereby is amended in the Third Resolved Clause of said Resolution to extend the period for an additional ten years by striking "December 31, 2020" and substituting "December 31, 2030"; and, be it further

RESOLVED, (e), that with respect to the Additional Rate described in the Second and Third Resolved Clauses of Resolution No. 83-2010, said Resolution No. 83-2010 hereby is amended in the Third Resolved Clause to extend the period for an additional ten years by adding at the end of said clause the following:

	<u>County</u>	<u>City</u>	<u>Towns</u>	<u>Schools</u>
1/1/21 – 12/31/30	1.58%	97.79%	0%	0.63%

and, be it further

RESOLVED, (f), that Resolution No. 83-2010 hereby is amended in the Fourth Resolved Clause of said Resolution to extend the period for an additional ten years by striking "December 31, 2020" and substituting "December 31, 2030"; and, be it further

RESOLVED, (g), that Resolution No. 83-2010 hereby is amended in the Seventh Resolved Clause of said Resolution regarding the time for the City to execute the contract by striking "May 24, 2010" and substituting "January 31, 2019"; and, be it further

RESOLVED, (h), that the allocation and distribution of funds provided for herein shall take effect upon approval by the New York State Comptroller pursuant to New York State Tax Law; and, be it further

RESOLVED, (i), that pursuant to New York State Tax Law Section 1262(e), notice hereby is afforded to the City of Syracuse and to all towns, villages and school districts in Onondaga County that the net collections set aside for allocation and distribution to such city, towns, villages and school districts by this resolution terminate and are eliminated effective December 31, 2030, after which time no net collections will be allocated and provided to the City, towns, villages or school districts and all such net collections shall be retained by the County; and, be it further

RESOLVED, that in all other respects Resolution No. 83-2010 remains in full force and effect.

Sales Tax  
LHT  
dak

ADOPTED

JAN 02 2019

FILED WITH CLERK  
ONONDAGA CO. LEG.

December 13, 2018  
KMF

18 DEC 14 AM 11:46

ONONDAGA COUNTY  
LEGISLATURE  
CLERK

I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND  
EXACT COPY OF LEGISLATION DULY ADOPTED BY THE  
COUNTY LEGISLATURE OF ONONDAGA COUNTY ON THE

2nd DAY OF January, 2019.

Deborah A. Maturo

CLERK, COUNTY LEGISLATURE  
ONONDAGA COUNTY, NEW YORK

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JANUARY 2, 2019  
SESSION

LEGISLATOR	AYES:	NOES:	ABSENT:	
1. MAY	✓			Mr. Holmquist assumed the Chair so that Chairmen Knapp could debate.
17. ERVIN	✓			
13. BUSH		✓		
14. JORDAN	✓			
15. BOTTRILL	✓			
16. WILLIAMS	✓			Following debate,
2. ROWLEY	✓			Chair Knapp
3. BURTIS	✓			re-assumed the
4. TASSONE	✓			Chair
5. CODY	✓			
6. ABBOTT-KENAN	excused			
7. BUCKEL	✓			
8. RYAN	✓			
9. CHASE	✓			
10. HOLMQUIST	✓			
11. McBRIDE	✓			
12. KNAPP	✓			
<b>TOTAL</b>	15	1		Excused: 1 (Abbott-Kenan)