

THIS AGREEMENT OF SALES TAX REVENUE DISTRIBUTION

MADE as of the 30th day of December, 1977, by and
between

THE COUNTY OF ERIE,
a municipal corporation of
State of New York,

and

THE CITY OF BUFFALO,
a municipal corporation of
State of New York,

and

THE CITY OF LACKAWANNA,
a municipal corporation of
State of New York,

and

THE CITY OF TONAWANDA,
a municipal corporation of the
State of New York,

W I T N E S S E T H :

WHEREAS, it is desirable and necessary for the County
of Erie to adequately support the Buffalo and Erie County
Public Library as well as to make contributions for the support
of various cultural and public benefit services, some of which
have heretofore been partially funded by the City of Buffalo;
and

WHEREAS, in connection with the desire to accomplish the
aforementioned purposes, it is necessary to revise the agreement
for the distribution of sales tax revenues dated January 20, 1972
to provide for a greater share of the revenues to be distributed
to the County of Erie, thereby enabling the County of Erie to
appropriate 11.4% of the annual yield from sales tax revenues
throughout the County to those purposes; and

WHEREAS, nothing in the foregoing recitals of this agree-
ment shall be construed as a legally binding condition as to
the appropriation by the County of the 35.3055% allocated to it
by this agreement; and

WHEREAS, each of the governing bodies of the municipalities of the County of Erie, the City of Buffalo, the City of Lackawanna and the City of Tonawanda have agreed by resolution to a formula for the distribution of sales tax revenues; and

WHEREAS, each of the terms of the contract contained herein have been submitted and approved by the elective governing body of the municipalities;

NOW, THEREFORE, it is AGREED by the parties as follows:

I. That the Cities of Buffalo, Lackawanna and Tonawanda, the duration of this agreement, will not exercise their several rights to enact a city sales tax.

II. That the County of Erie shall by resolution adopted prior to December 31, 1977, amend the Erie County Sales and Use Tax, Section 14, Disposition of Revenues, to read as follows

'SECTION 14. Disposition of Revenues

Net collections distributed to the County by the State Tax Commission pursuant to Section twelve hundred sixty-two of the Tax Law of the State of New York shall be disposed of as follows:

(a) 35.3055 percent of such monies is hereby set aside for County purposes and shall be available for any County purpose.

(b) 29 percent of such monies is hereby set aside for educational purposes and shall be distributed and paid quarterly to the several school districts in the County 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, the distribution shall be made to each such school district in accordance

with the total average daily attendance of the pupils in such school district who reside in the County and in any such case, the amount to be raised by school taxes by the district from the portions of such district within the County shall be reduced by the amount so distributed.

(c) (1) 10.0087 percent of such monies shall be allocated quarterly to the cities in proportion to their respective populations, determined in accordance with the latest decennial Federal census or special population census taken pursuant to Section 20 of the General Municipal Law, completed and published prior to the end of the quarter which the allocation is made.

(2) 25.6858 percent of such monies shall be allocated quarterly to the cities and the area outside the cities in proportion to their respective populations, determined in accordance with the latest decennial Federal census or special population census taken pursuant to Section 20 of the General Municipal Law, completed and published prior to the end of the quarter for which the allocation is made, which special census must include the entire area of the County. The amount so allocated to the area outside the cities shall be applied first to reduce county taxes levied upon real property in the several towns in such area. Any balance remaining shall be then applied to reduce general town taxes levied upon real property in such area.

If any town by local law, ordinance or resolution shall so provide, all or part of such amount shall be paid directly to such town and shall be applied first to reduce general town taxes levied upon real property in the town. Any balance remaining shall be

used to reduce county taxes levied upon real property in such town

If any village by local law, ordinance or resolution shall so provide, the amounts to be so applied to reduce the county tax and general town tax levied upon real property in such village shall be paid directly to such village in lieu of such tax reductions. In such case, the balance of the amount allocated to the town in which such village is wholly or partially situated shall be applied to reduce county taxes and general town taxes in the area of the town outside such village or villages. If the amount allocated to a town exceeds the amount of the county taxes and general town taxes levied upon real property in the town, the excess shall be apportioned between the town and each village, if any, wholly or partially situated therein, in the ratios that the full valuation of real property in such village or portion thereof within the town and the full valuation of real property in the portion of the town outside of such village or villages, respectively bear to the aggregate full valuation of the entire town. The share of each such village shall be paid directly to such village. The share of the town shall be applied first to reduce taxes levied for part-town activities, and any balances remaining shall be paid, directly to the town to be used only for part-town activities. The amounts to be applied in reduction of county taxes and general town taxes in each of the towns for the quarters beginning July 1st and January 1st in each year shall be determined on the basis of the ratio which the full valuation of real property in each town bears to the aggregate full valuation of real property in all of the towns in the county. The amount to be applied in reduction of county taxes and

general town taxes in each town for the quarters beginning October 1st and April 1st in each year shall be allocated in proportion to their respective populations determined in accordance with the latest decennial Federal census or special population census taken pursuant to section twenty of the General Municipal Law completed and publicized prior to the end of the quarter for which the allocation is made. The amount allocated to each city shall be similarly applied to reduce the county tax levied upon real property in such city, except that if any such city by local law, ordinance or resolution shall so provide, the amount which would be so applied to reduce the county tax levied upon real property in such city shall be paid directly to the city in lieu of such tax reduction. If the amount allocated to a city exceeds the amount of the county tax levied upon real property in such city, such excess shall be paid to such city.

(d) In no calendar year shall the City Tonawanda receive less than \$1,172,706 nor shall the City of Lackawanna receive less than \$1,534,671 as total receipts pursuant to subdivision (c) of this section.

In the event that either the City of Tonawanda or the City of Lackawanna, or both, do not receive the sums set forth above pursuant to division (c) of this section, a sum or sums sufficient to save harmless from loss either or both cities shall be added to the fourth quarter payment and an equivalent sum or sums deducted from the share payable to the City of Buffalo

(e) As used in this section the following terms shall mean or include:

Net collections. The monies collected from a tax or taxes imposed pursuant to this resolution, after deducting therefrom expenses of the State Tax Commission for the administration and collection and amounts refunded or to be refunded

General town taxes. Taxes levied for any town purposes, including highways, upon the entire area of a town.

Full valuation of real property
The assessed valuation of real property divided by the equalization rate as determined by the board of supervisors or commissioners of equalization of the county.

(4) Part-town activities. Activities of town government, including highway programs, which are chargeable to the area of the town outside of villages, exclusive of special district purposes."

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.

IV. In consideration of each of the preceding sections and of the mutual promises contained herein, the parties hereto covenant and agree not to make claim for "prior rights assigned counties and cities", pursuant to the Tax Law, Section 1224, or any other section of said law.

V. This contract shall be effective after approval by the governing body of the County, approval of each of the cities in the County and approval of the State Comptroller, the division of proceeds as set forth above to be computed from January 1, 1978.

IN WITNESS WHEREOF, the parties hereto have set their
hands and seals on the day and year first above written.
Approved as to form

T. J. Szymanski
Assistant County Attorney
WITNESS:
Erie County, N. Y.
T. J. Szymanski
County Attorney
(Title)

THE COUNTY OF ERIE
By [Signature]
County Executive

APPROVED
AS TO FORM ONLY

DEC 27 1977

LESLIE G. FASANO
Corporation Counsel

CITY OF BUFFALO

By [Signature]
Mayor

WITNESS:

By

[Signature]
Ass. Secretary to Mayor
(Title)

THE CITY OF LACKAWANNA

WITNESS:

By

[Signature]
Asst. to Mayor
(Title)

[Signature]
Mayor

THE CITY OF TONAWANDA

WITNESS:

By

[Signature]
Sect. to Mayor
(Title)

[Signature]
Mayor