

**Resolution of the Legislature of the County of Cortland, Extending Taxes on Sales and Uses of Tangible Personal Property and of Certain Services, and on Occupancy of Hotel Rooms and Amusement Charges, Pursuant to Article 29 of the Tax Laws of the State of New York**

WHEREAS, New York State Tax Law §1210(i)(12) as last amended by Laws of 2015, Chapter 113, on August 13, 2015 authorizes Cortland County to adopt and amend local laws, ordinances or resolutions imposing taxes at a rate which is one percent additional to the three percent rate authorized for the County for a period beginning September 1, 1992 and ending November 30, 2017, AND

WHEREAS, the tax previously authorized by Cortland County Resolution No. 224 of 2013 will expire December 1, 2015, AND

WHEREAS, in the current economic climate it would create financial hardship for Cortland County if this source of revenue was to expire, and such loss would result in a substantial burden on County property owners through increased property taxes or loss of essential services;

NOW, THEREFORE, BE IT ENACTED by the County Legislature of the County of Cortland, as follows:

SECTION 1. The first sentence of section two of Resolution No. 216 as enacted in nineteen hundred sixty-seven, as last amended by Resolution No. 224 for the year 2013, is amended to read as follows:

**SECTION 2. IMPOSITION OF SALES TAX**

On and after March first, nineteen hundred sixty eight, there is hereby imposed and there shall be paid a tax of three percent upon, and for the period commencing September 1, 1992, and ending November 30, 2017, there is hereby imposed and there shall be paid an additional tax of one percent upon:

“SECTION 2. Subdivision (f) of section three of Resolution No. 216 as enacted in nineteen hundred sixty-seven, as amended, is amended to read as follows:

(f) with respect to the additional tax of one percent imposed for the period commencing September 1, 1992, and ending November 30, 2017, the provisions of subdivisions (a), (b), (c), (d), and (e) of this section apply, except that for the purposes of this subdivision, all references in said subdivisions (a), (b), (c) and (d) to an effective date shall be read as referring to September 1, 1992, all references in said subdivision (a) to the date four months prior to the effective date shall be read as referring to May 1, 1992 and the reference in subdivision (b) to the date

immediately preceding the effective date shall be read as referring to August 31, 1992. Nothing herein shall be deemed exempt from tax at the rate in effect prior to September 1, 1992 any transaction which may not be subject to the additional tax imposed effective on that date.”

SECTION 3. Section four of Resolution No. 216 as enacted in nineteen hundred sixty-seven, as amended, is amended to read as follows:

“SECTION 4. IMPOSITION OF COMPENSATING USE TAX

- (a) Except to the extent that property or services have already been or will be subject to the sales tax under this enactment, there is hereby imposed on every person a use tax for the use within this taxing jurisdiction on and after September 1, 1992, except as otherwise exempted under this enactment,
  - (A) of any tangible property purchased at retail,
  - (B) of any tangible personal property (other than computer software used by the author or other creator) manufactured, processed or assembled by the user,
    - (i) if items of the same kind of tangible personal property are offered for sale by him in the regular course of business, or
    - (ii) if items are used as such or incorporated into a structure, building or real property, by a contractor, subcontractor or repairman in erecting structures or buildings, or building on, or otherwise adding to, altering, improving, maintaining, servicing or repairing real property, property or land, as the terms real property, property or land are defined in the Real Property Tax Law, if items of the same kind are not offered for sale as such by such contractor, subcontractor or repairman or other user in the regular course of business,
  - (C) of any of the services described in paragraphs (1), (7) and (8) of subdivision (c) of section two,
  - (D) of any tangible personal property, however acquired, where not acquired for purposes of resale, upon which any of the services described under paragraphs (2), (3) and (7) of subdivision (c) of section two have been performed,
  - (E) of any telephone answering service described in subdivision (b) of section two and,
  - (F) of any computer software written or otherwise created by the user if the user offers software of a similar kind for sale as such or as a component part of other property in the regular course of business.
- (a) For purposes of clause (A) of subdivision (a) of this section, for the period commencing September 1, 1992, and ending November 30, 2017, the tax shall be at the rate of four percent, and on and after December 1, 2017, the tax rate shall be at the rate of three

percent, of the consideration given or contracted to be given for such property, or for the use of such property, including any charges for shipping or delivery as described in paragraph three of subdivision (b) of section one, but excluding any credit for tangible personal property accepted in part payment and intended for resale.

- (b) For purposes of sub-clause (i) of clause (B) of subdivision (a) of this section, for the period commencing September 1, 1992, and ending November 30, 2017, the tax shall be at the rate of four percent, and on and after December 1, 2017, the tax shall be at the rate of three percent, of the price at which items of the same kind of tangible personal property are offered for sale by the user, and the mere storage, keeping, retention or withdrawal from storage of tangible personal property by the person who manufactured, processed or assembled such property shall not be deemed a taxable use by him.
- (c) For purposes of subclause (ii) of clause (B) of subdivision (a) of this section, for the period commencing September 1, 1992, and ending November 30, 2017, the tax shall be at the rate of four percent, and on and after December 1, 2017, the tax shall be at the rate of three percent of the consideration given or contracted to be given for the tangible personal property manufactured, processed or assembled into the tangible personal property the use of which is subject to tax, including any charges for shipping or delivery as described in paragraph three of subdivision (b) of section one.
- (d) Notwithstanding the foregoing provisions of this section, for purposes of clause (B) of subdivision (a) of this section, there shall be no tax on any portion of such price which represents the value added by the user to tangible personal property which he fabricates and installs to the specifications of an addition or capital improvement to real property, property or land, as the terms real property, property or land are defined in the Real Property Tax Law, over and above the prevailing normal purchase price prior to such fabrication of such tangible personal property which a manufacturer, producer or assembler would charge an unrelated contractor who similarly fabricated and installed such tangible personal property to the specifications of an addition or capital improvement to such real property, property or land.
- (e) For purposes of clauses (C), (D) and (E) of subdivision (a) of this section, for the period commencing September 1, 1992 and ending November 30, 2017, the tax shall be at the rate of four percent, and on and after December 1, 2017, the tax shall be at the rate of three percent, of the consideration given or contracted to be given for the service, including the consideration for any tangible personal property transferred in conjunction with the performance of the service and also including any charges for shipping and delivery of the property so transferred and of the tangible personal property upon which the service was performed as such charges are described in paragraph three of subdivision (b) of section one.
- (f) For purposes of clause (F) of subdivision (a) of this section, for the period commencing

September 1, 1992, and ending November 30, 2017, the tax shall be at the rate of four percent, and on and after December 1, 2017, the tax shall be at the rate of three percent, of the consideration given or contracted to be given for the tangible personal property which constitutes the blank medium, such as disks or tapes, used in conjunction with the software, or for the use of such property, and the mere storage, keeping, retention or withdrawal from storage of computer software described in such clause (F) by its author or other creator, shall not be deemed a taxable use by such person.”

SECTION 4. Paragraph (B) of subdivision (1) of section eleven of Resolution No. 216 as enacted in nineteen hundred sixty-seven, as amended, is amended to read as follows:

- (B) With respect to the additional tax of one percent imposed for the period beginning September 1, 1992, and ending November 30, 2017, in respect to the use of property used by the purchaser in this County prior to September 1, 1992.

SECTION 5. Subparagraph III of paragraph (1) of subdivision (c) of section fourteen of Resolution No. 216 as enacted in nineteen hundred sixty-seven, as amended, is amended to read as follows:

(c)(1) Notwithstanding any other provision of law, net collections distributed to the County by the State Comptroller pursuant to subdivision (c) of section 1261 of the Tax Law of the State of New York, including net collections attributable to the additional one percent sales and compensating use taxes, shall be disposed of in accordance with the sales tax allocation and distribution agreement entered into by Cortland County and the City of Cortland on June 29, 2012, and approved by the State Comptroller pursuant to section 1262 (c) of the Tax Law, during the period that such agreement is in effect, as follows:

- III. Beginning June 1, 2013, for a period of one (1) year:
  - (a) 52.00 % shall be allocated to the County;
  - (b) 18.24 % shall be allocated and paid to the City of Cortland;
  - (c) 29.76 % shall be allocated and paid to the Towns and Villages in the County;

- Beginning June 1, 2014, for a period of one (1) year:
  - (a) 52.375 % shall be allocated to the County;
  - (b) 18.115 % shall be allocated and paid to the City of Cortland;
  - (c) 29.510 % shall be allocated and paid to the Towns and Villages in the County;

- Beginning June 1, 2015, for a period of one (1) year:
  - (a) 52.650 % shall be allocated to the County;
  - (b) 17.990 % shall be allocated and paid to the City of Cortland;

(c) 29.385 % shall be allocated and paid to the Towns and Villages in the County;

Beginning June 1, 2016, for a period of one (1) year:

(a) 53.000 % shall be allocated to the County;

(b) 17.865 % shall be allocated and paid to the City of Cortland;

(c) 29.135 % shall be allocated and paid to the Towns and Villages in the County;

Beginning June 1, 2017, for a period of one (1) year:

(a) 53.500 % shall be allocated to the County;

(b) 17.615 % shall be allocated and paid to the City of Cortland;

(c) 28.885 % shall be allocated and paid to the Towns and Villages in the County;

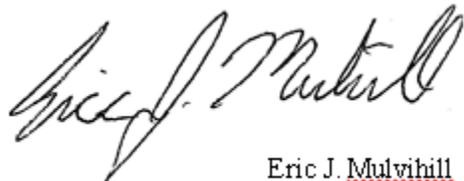
Distribution of net sales and compensating use taxes will be prepared and processed for the Cortland County Legislature Budget and Finance Committee meeting following thirty (30) days after the end of each quarter. After approval by the Budget and Finance Committee and the approval of the full Cortland County Legislature, payment will be released to the respective municipalities the first working day following the County Legislative session (session is normally held the last Thursday of each month). Tentative scheduled releases will be May, August, November, and February.

SECTION 6. This enactment shall take effect December 1, 2015.

STATE OF NEW YORK ) SS:  
COUNTY OF CORTLAND )

This is to certify that I, the undersigned, Clerk of the Cortland County Legislature, have compared the foregoing copy with the original now on file in this office, and that the above actions were passed by the Cortland County Legislature on the 24th day of September, 2015 and that the same is a correct and true transcript of such actions taken.

IN WITNESS WHEREOF I have hereunto set my hand  
and the official seal of the CORTLAND COUNTY  
LEGISLATURE, this 24th day of September, 2015.



Eric J. Mulvihill  
Clerk of the Cortland County Legislature