

Intro. Res. No. 1051-2010

Laid on Table 1/4/2010

Introduced by Legislators Schneiderman, Romaine, Muratore, Losquadro, Kennedy, Nowick and Cooper

**RESOLUTION NO. 84 -2010, ADOPTING LOCAL LAW
NO. 5 -2010, A LOCAL LAW TO REGULATE THE
DISTRIBUTION OF MORTGAGE TAX REVENUES TO TOWNS
AND VILLAGES**

WHEREAS, there was duly presented and introduced to this County Legislature at a meeting held on January 4, 2010, a proposed local law entitled, "**A LOCAL LAW TO REGULATE THE DISTRIBUTION OF MORTGAGE TAX REVENUES TO TOWNS AND VILLAGES**"; now, therefore be it

RESOLVED, that said local law be enacted in form as follows:

LOCAL LAW NO. 5 -2010, SUFFOLK COUNTY, NEW YORK

**A LOCAL LAW TO REGULATE THE DISTRIBUTION OF
MORTGAGE TAX REVENUES TO TOWNS AND VILLAGES**

**BE IT ENACTED BY THE COUNTY LEGISLATURE OF THE COUNTY OF
SUFFOLK**, as follows:

Section 1. Legislative Intent.

This Legislature hereby finds and determines that local governments rely heavily on budgeted mortgage tax revenues to support their operations.

This Legislature also finds and determines that Suffolk County administers the distribution of mortgage recording tax revenues to all towns and villages throughout the County.

This Legislature further finds and determines that Suffolk County currently distributes mortgage tax revenues twice each year.

This Legislature finds that the economic downturn has had a significant impact on mortgage recording tax revenues, with this funding source declining to levels last seen a decade ago.

This Legislature determines that this decline in mortgage tax revenue has caused local governments to experience increased pressure on the property tax base and severe constraints on cash flow.

This Legislature also finds that New York State Tax Law §261 allows counties the option to distribute mortgage tax revenues to local governments on a semiannual, quarterly or monthly basis.

This Legislature further finds that it would be prudent to increase the frequency of mortgage tax revenue payments and decrease the time between collection and distribution of these revenues to aid in operations of towns and villages.

Therefore, the purpose of this law is to make the election to distribute mortgage tax revenue payments to towns and villages on a quarterly basis with a three-month lag.

Section 2. Mortgage Tax Distribution.

- A. The County of Suffolk elects to distribute mortgage tax revenues collected pursuant to Article 11 of the New York Tax Law to towns and villages on a quarterly basis.
- 1) The Suffolk County Clerk, as recording officer, and the Suffolk County Treasurer shall prepare a joint report on or before the fifteenth day of February, May, August and November of each year showing the amount of mortgage tax revenue to be credited to each town and village for the preceding three month period ending December 31st, March 31st, June 30th and September 30th.
- 2) The Suffolk County Legislature shall, on or before the fifteenth day of March, June, September and December of each year, authorize the Presiding Officer and the Clerk of the Legislature to execute and deliver a warrant directing the County Treasurer to make the payments to towns and villages specified in the joint report. The Suffolk County Legislature shall authorize the issuance of the warrant by procedural motion.

Section 3. Applicability.

This law shall apply to mortgage recording taxes collected by the County of Suffolk on and after October 1, 2010. The County Treasurer shall make the first quarterly mortgage tax distribution in March, 2011.

Section 4. Severability.

If any clause, sentence, paragraph, subdivision, section, or part of this law or the application thereof to any person, individual, corporation, firm, partnership, entity, or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section, or part of this law, or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

Section 5. SEQRA Determination.

This Legislature, being the State Environmental Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.5(c)(20), (21), and/or (27) of Title 6 of the NEW YORK CODE OF RULES AND REGULATIONS (6 NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. The Suffolk County Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this law.

Section 6. Effective Date.

This law shall take effect immediately upon its filing in the Office of the Secretary of State.

DATED: March 2, 2010

APPROVED BY:

/s/ Steve Levy
County Executive of Suffolk County

Date: March 25, 2010

After a public hearing duly held on March 16, 2010
Filed with the Secretary of State on April 13, 2010