



# Sales Tax Discussion

Dec 5, 2025

# QUESTION BEFORE THE COMMITTEE

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***Should Warren County request Home Rule authority to increase the County Sales Tax from 7% to 8% overall?***

The County share of sales tax would increase  
from 3% to 4%.

The State share would remain at 4%.



# SALES TAX BACKGROUND

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- Warren County sales tax has been 7% for well over 50 years
- Only four New York Counties have sales tax that is less than 8%
  - Warren, Washington, and Saratoga Counties at 7% and Ontario at 7.75%
  - Washington is considering increasing their sales tax to 8%
  - Saratoga County is considering increasing their sales tax to 7.5%
  - Nineteen NY Counties have sales tax that exceeds 8%. Erie is the highest at 8.75%
  - The City of New York sales tax is 8.875 %
- Warren County has had discussions at the Board of Supervisors about increasing sales tax twice in 2019. A resolution in 2019 did not pass the Board of Supervisors.
- The Board discussed a sales tax increase at a Board Workshop in Aug 2024. At that time, it appeared both Warren and Washington Counties were interested in increasing the sales tax. When Washington County's Finance Committee turned their request down, we paused our consideration.
- Our Legislators would prefer all three counties request permission to increase sales tax at the same time.
- In conversation with the other two County Administrator's, it appears all three counties would consider requesting Home Rule Authority to increase their sales tax.



# CURRENT DISTRIBUTION OF SALES TAX

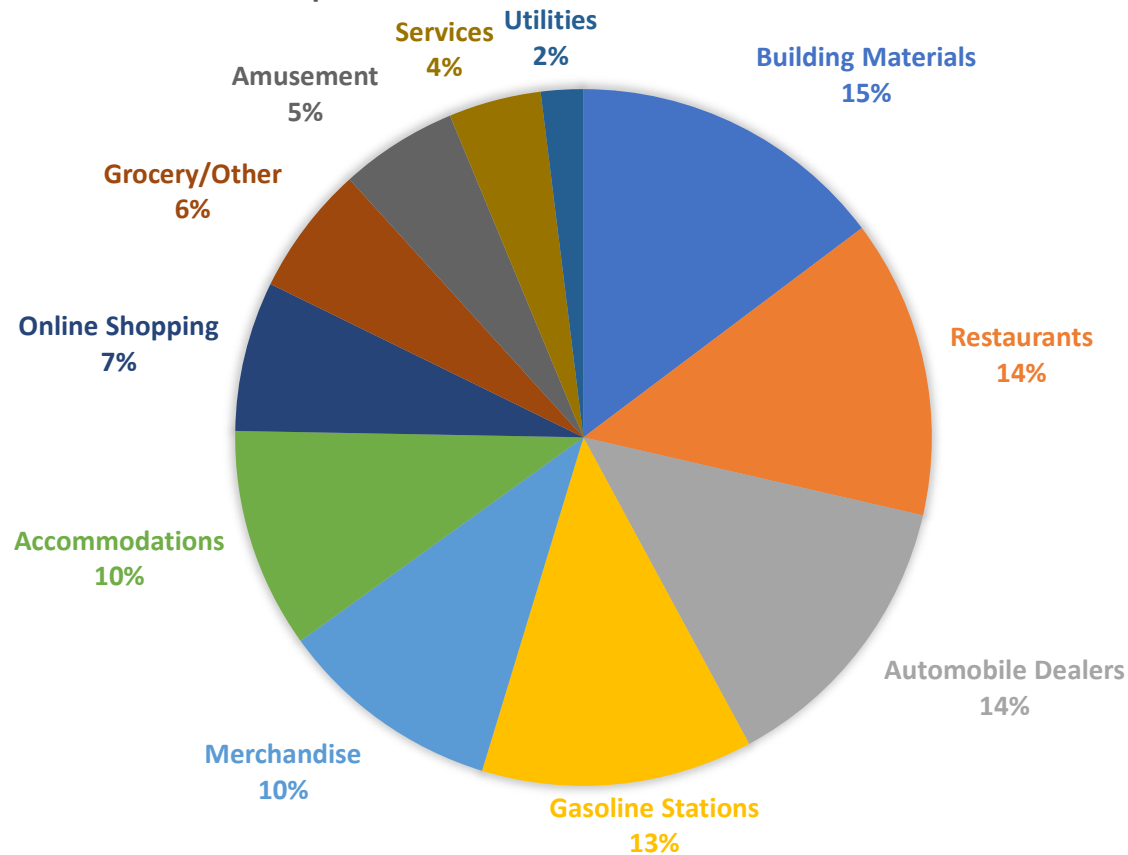
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- Of the 7% collected in Warren County by the state of New York, the state keeps 4% and the county keeps 3%.
- There are specific rules for the distribution of the 3% specified by NY Law.
- The city of Glens Falls chose to pre-empt 50 years ago. Therefore:
  - For sales tax collected within the City of Glens Falls, the City keeps half and the County keeps half
  - For sales tax collected outside the City limits, the County share is 50% and the rest is distributed to the towns and village according to their assessed value
  - The distribution methodology is specified by State Law and it goes into effect when a city pre-empts. It can be changed by Local Law but Warren County has not chosen to do so in the past.
  - Roughly 35% of County sales tax is paid by visitors to our County



# SOURCE OF COUNTY SALES TAX

**\$2.5 BILLION TAXABLE SALES**

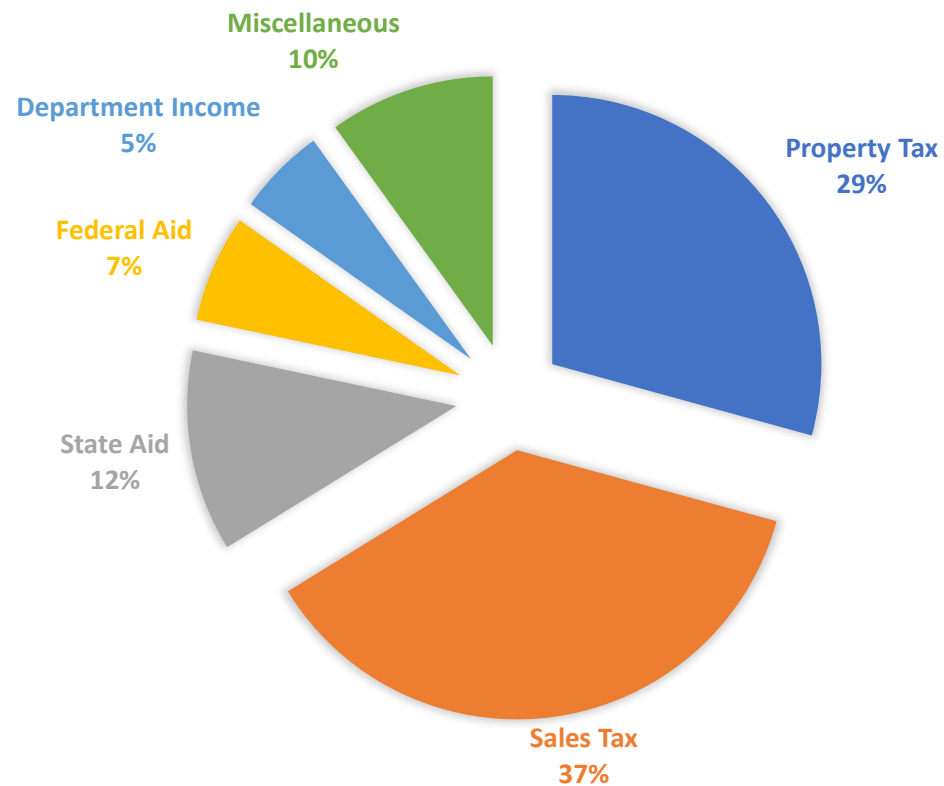


# WARREN COUNTY BUDGET(2026)

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**\$215,742,848**

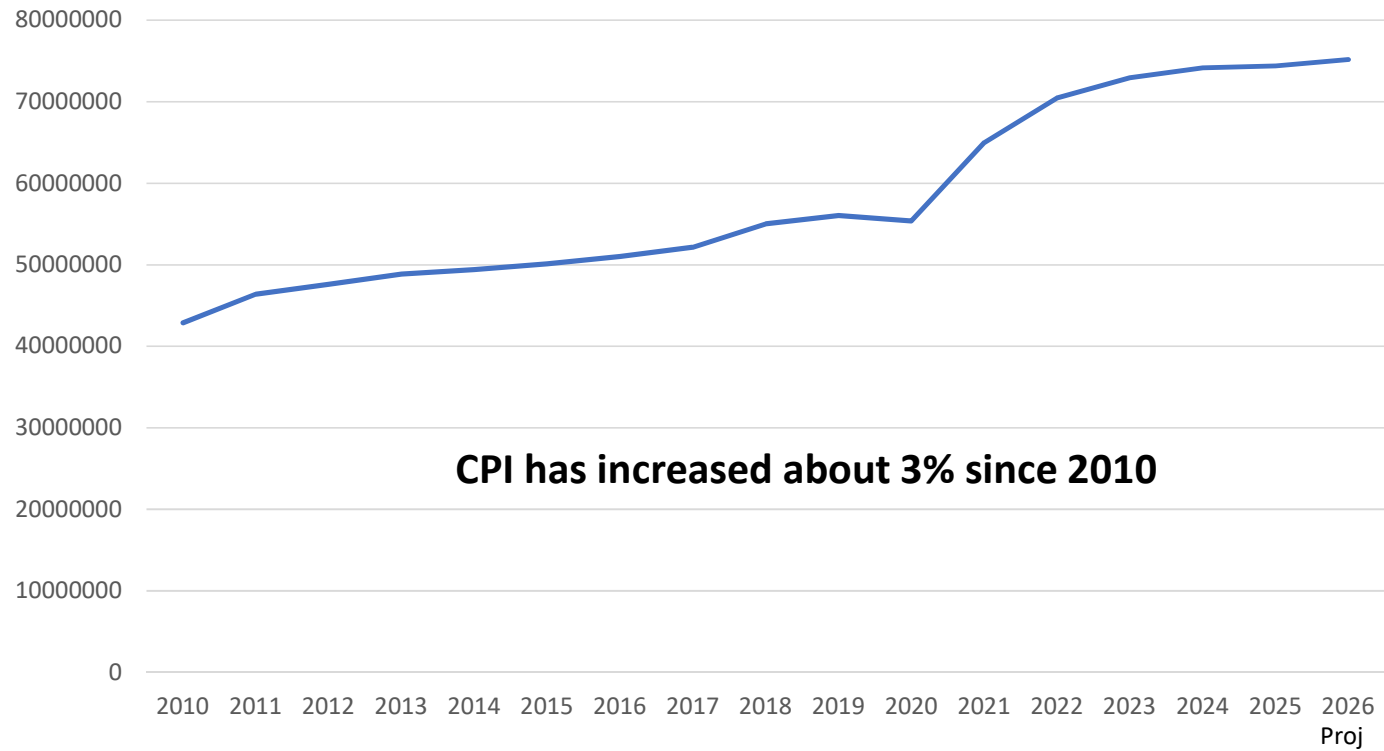




# YEARLY SALES TAX COLLECTIONS

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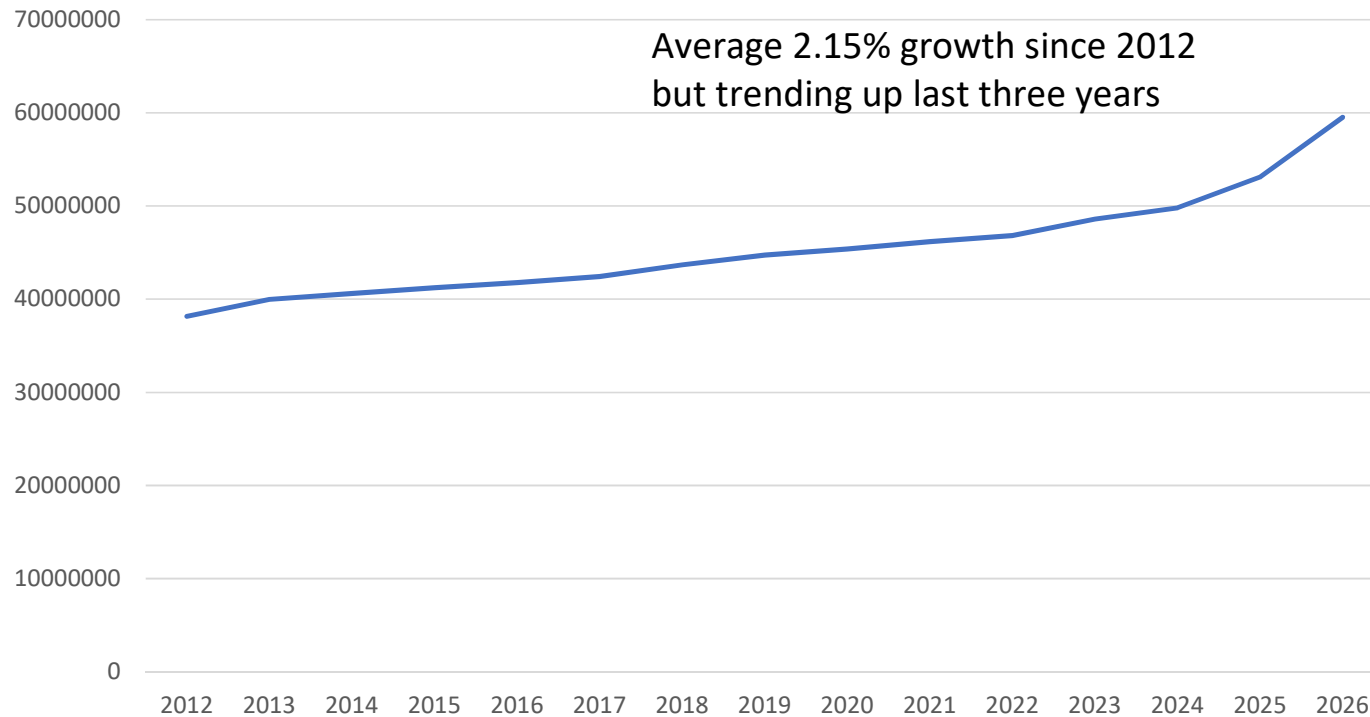
**4.5% average sales tax growth since 2010**



**CPI has increased about 3% since 2010**

# YEARLY PROPERTY TAX COLLECTIONS

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# KEY BUDGET DRIVERS

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- For the past two years Warren County has exceeded the State 2% tax cap.
  - 2025 Budget - 6.62%
  - 2026 Budget – 12.27%
- In 2024, the County drew \$7.7 million from the General Fund reserve to balance the budget and fund necessary road repairs that were the result of storms in 2023. Road projects continue to increase in cost based on rising cost of materials and increased regulations by DEC, APA, and the Army Corps of Engineers. The County also had to take out a bond for additional road projects and road equipment replacement.
- Union contracts that require wage increases of 3-3.5% put additional pressure on the budget.
- Despite those pressures, the county has been able to maintain the state required minimum of approximately \$31.5 Million in the General Fund.
- The County debt level is extremely low and our bond rating remains high.
- *Unfunded State Mandates and cuts to Federal Funds will continue to place more funding requirements on Local Governments. Total amount is difficult to predict. Less than 25% of the County budget is discretionary*
- Not exceeding the tax cap for 2026 would have required personnel reductions of 50-75 people – difficult. Cuts to DSS require three positions to gain one full time equivalent.

# AVERAGE MONTHLY EXPENSES (FAMILY OF 4)



Expense	Monthly	Current Tax	Future Tax	Difference	Annual
Housing	\$2000	--	--	--	--
Transportation	\$1100	\$ 77	\$ 88	\$11	\$132
Health Care	\$ 700	--	--	--	--
Food	\$1100	--	--	--	--
Child Care	\$ 500	\$ 35	\$ 40	\$ 5	\$ 60
Utilities	\$ 500	\$ 35	\$ 40	\$ 5	\$ 60
Clothing/Household	\$ 400	\$ 12	\$ 16	\$ 4	\$ 48
Savings/Retirement	\$ 200	\$ 14	\$ 16	\$ 2	\$ 24
Miscellaneous	\$ 400	\$ 28	\$ 32	\$ 4	\$ 48
Total				\$ 31	\$ 372

Average Annual Income of \$82,500 to \$95,000

Major purchases like appliances, automobiles, electronics, furniture would increase the tax bill. Modified to show no state tax on food and no state tax on most clothing.

Source: Forbes Magazine/Chase Bank, 2022

# NEXT STEPS WITH BOARD CONCURRENCE

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- Submit Home Rule request to our Legislators and ask for support with the State Legislature.
- If submitted and approved by Legislature, it goes to the Governor for approval.
- Once approved by the Governor, Warren County will develop a Local Law that will be open for public comment.
- Warren County can choose to:
  - Increase sales tax to the full 8% (4% for Warren County)
  - Increase sales tax to an amount between 7% and 8%.
  - Keep sales tax at the current level.
  - These actions will probably occur in fall 2026.



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# DISCUSSION