

NEWS FROM THE ULSTER COUNTY OFFICE OF THE COMPTROLLER

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For Immediate Release
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Ulster County Experiences Record Breaking Sales Tax Revenue Growth In the First Six Months of 2021

Kingston, NY (August 31, 2021) -- The first six months of 2021 Ulster County sales tax collections have shown record breaking growth. Mid-year collections have shown a 32% increase when compared to 2020 figures, a growth rate that more than surpasses the effects of the pandemic on sales tax revenues.

“If the current trends continue, we project that these revenues will exceed the budgeted projections in the current year,” said Comptroller March Gallagher. “Sales Tax revenues combined with existing fund balances, reductions in personnel spending and American Rescue Plan funding mean that Ulster County is on track to close 2021 with a surplus that should be used to benefit taxpayers and improve services.”

The sales tax revenues reported are net of over \$2 million in diversions made before payments are issued to the County. New York State began diverting revenues from County sales tax payments in December 2019 for Aid and Incentives for Municipalities, which provides state aid to cities, towns and villages (excluding New York City). In addition to AIM diversions, the State also began diversion to distressed healthcare providers during the pandemic.

The Mid-Year Sales Tax Report examined taxable sales data for specific industries in the 2020-2021 sales tax year compared to the 2019-2020 sales tax year. Electronic Shopping and Mail-Order Houses saw the largest growth with a 96% increase of \$140 million when compared to the prior year’s figures. Other high growth categories included Building Material and Supplies Dealers, General Merchandise Stores, Beverage Manufacturing, Warehouse Clubs and Super Centers, and Beer, Wine, and Liquor. Beverage Manufacturing saw the most significant growth with a \$49 million dollar increase (871% growth) in taxable sales over the prior year and includes facilities like wineries and distilleries that have recently gained popularity in the area.

Gasoline Stations, Restaurants and Other Eating Spaces, Traveler Accommodations, Automotive Repair, and Automotive Dealers all saw significant decreases from the prior sales tax year. However, most of these industries rebounded in the first quarter of the 2021-2022 sales tax year.

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Report Attached