TOWN OF ONEONTA
OFFICE OF THE TOWN SUPERVISOR
William Rivera Jr., Town Supervisor

July 22, 2026

Edwin Frazier Jr., Chair
and Members of the Otsego County Board of Representatives
County Office Building
197 Main Street
Cooperstown, NY 13326-1129

Re: Request for Formal Review of Sales-Tax Sharing and Hotel Occupancy-Tax Allocation

Dear Chair Frazier and Members of the Board:

Together, as the Town Supervisor and the County Representative serving the Town of Oneonta, we respectfully request a formal review of how Otsego County distributes sales-tax revenue to local governments. The Town Board of the Town of Oneonta supports this request.

The Town of Oneonta is a major economic center in Otsego County. We are home to the Southside commercial corridor, the Walmart Supercenter, local hotels, the West End corridor, and Cooperstown All Star Village. Together, they draw residents and visitors from across the region.

Based on countywide collections and local commercial activity, the Town's preliminary analysis indicates that taxable economic activity within the Town may account for between $6 million and $9 million of the County's local sales-tax collections annually. Under the current distribution structure, the Town received approximately $739,000 in direct County sales-tax distributions in 2025.

This economic activity also brings increased local costs and responsibilities for the Town, including roads, infrastructure, traffic, planning, code enforcement, and other municipal services. The Town must meet these responsibilities with limited revenue under the current distribution structure, placing continuing pressure on the Town's budget.

Unfortunately, under the current distribution formula, the Town directly receives only a small fraction of the estimated sales-tax revenue associated with economic activity within its borders. That structure is rooted in a sales-tax sharing arrangement dating to 1991. More than three decades later, the local economy has changed, and this archaic formula must be reviewed in light of current patterns of economic activity and the local impacts they create.

Section 1262 of the New York Tax Law provides the framework for distributing county sales-tax revenue. We respectfully ask the Board to refer this matter to the Administration Committee for a formal review of the current sales-tax sharing formula. The review would examine the current distribution structure in relation to where economic activity occurs and where related municipal costs are borne.

For our residents, this is not abstract. It means fewer resources for Town roads and services and greater pressure on local property taxes.

We respectfully ask that this matter be placed on the Administration Committee's next available agenda, and we welcome the opportunity to discuss it with the Board.

Sincerely,

William Rivera

William Rivera Jr.
Town Supervisor
Town of Oneonta

Eamonn Hinchey
Otsego County Representative, District 4
Town of Oneonta