Supervisor Mark Lesko and the Town Board Oppose Albany's IDA Tax, Park Closures, and Open Space Program Cuts
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Farmingville, NY - On Tuesday, March 2, Supervisor Mark Lesko, along with the Brookhaven Town Board, adopted three sense resolutions opposing recent actions taken by Albany, including the imposition of a tax on the gross revenue of the Town of Brookhaven's Industrial Development Agency (IDA), proposed reduction of open space funding, and the closure of New York State Parks.

"It is unacceptable and irresponsible for the State Legislature and Governor to tax the agency in the town responsible for attracting companies and creating jobs, to close parks, and to slash open space funding as a budget fix," said Supervisor Lesko.

The town board passed a resolution that opposes imposition of a retroactive tax on the gross revenue of the IDA.

The State included payment-in-lieu-of taxes (PILOT) collections as gross revenue received by the IDA for the 2008 fiscal year. The State included PILOT collections when calculating the tax on some municipalities, but not all. The inclusion of PILOT collections on gross revenue results in a higher tax. PILOT collections are not revenue to the IDA, but are passed through to the various taxing authorities within 30 days of receipt. The State's calculation resulted in a tax bill for the IDA of $195,396.00 due by March 31st 2010. However, the tax on the actual revenue earned, excluding PILOT collections, would be $20,971.87.

Brian McMahon, Executive Director of the New York State Economic Development Council, said, "This tax will result in making some IDA's insolvent. In other instances, the tax represents 100 percent or more of an IDA's operating budget for 2010. NYSEDC understands the fiscal plight of the state, but even in the best of times, which these are not, taxing economic development agencies is counterproductive. This ill-conceived tax is arbitrary, punitive, unfair, and severely flawed. It should be repealed."

The Town of Brookhaven resolution calls upon the Governor and State Legislature to repeal this onerous tax and states that the State's inclusion of PILOT collections as revenue is unwarranted and punitive. The purpose of the IDA is to create and retain jobs and make the town a better place to attract new businesses and grow existing ones. This tax will lead to the loss of resources used to create jobs during tough economic times.

The resolution opposing the reduction of open space funding calls on New York State to restore funding for open space acquisition in the 2010-2011 proposed budget, which would preserve environmentally sensitive properties and farmland. The resolution points to the need for conservation, wildlife protection, and preservation of our remaining unspoiled natural environments.

"Even in tough fiscal times, preservation of environmentally significant land must remain a priority for New York State," said Supervisor Lesko, "The Town is also facing difficult financial times and the Efficiency and Revenue Team, headed by Lou Marcoccia, is reviewing the capital budget, but cutting open space projects are off the table in the Town of Brookhaven."

The closure of New York State Parks was also opposed. "The closure of the state's parks, especially Brookhaven State Park, will hurt our residents by reducing their recreational opportunities and allowing these facilities to fall into disrepair," stated Councilman Steve Fiore-Rosenfeld, the Brookhaven Town Council liaison to Parks and Recreation.

Councilwoman Kathleen Walsh concluded, "We need our State officials to come to the table with solutions that will help our working families and businesses here in Brookhaven not put the burden of the State budget deficit back onto them."

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