SPECIAL REPORT

DUTCHESS COUNTY
2024 SALES TAX REVENUE

JUNE 2025

OFFICE OF THE

DUTCHESS COUNTY COMPTROLLER

DAN AYMAR-BLAIR, COMPTROLLER

OFFICE OF THE COMPTROLLER
DUTCHESS COUNTY
22 MARKET STREET
POUGHKEEPSIE, NY 12601
(845) 486-2050
Fax: (845) 486-2055
E-mail: comptroller@dutchessny.gov

Dan Aymar-Blair
Comptroller

Brian D. Kelly
Deputy Comptroller

Heli Shah
Director of Audit

Dear County Officials and Taxpayers,

As the largest source of revenue for Dutchess County Government, the information provided in our yearly sales tax update reports are vital to taxpayers. Sales tax collections in Dutchess County totaled **$263.7 million** in 2024, up 4% from 2023, but 1.1% (or **$3 million**) lower than what was budgeted for the year. The 2024 budget anticipated a 1% increase in sales tax growth, as well as an additional **$9.9 million** that would have resulted from a proposed County sales tax rate increase from 3.75% to 4%.

Ultimately, the County's request for the tax rate increase was not supported by the State Legislature, resulting in a tax revenue shortfall in 2024. In order to balance the budget following the lower-than-expected sales tax revenues, the **$3 million** shortfall would have to be covered by other revenue streams, such as property taxes or state and federal grants. In 2024, American Rescue Plan (ARP) funds and increased state revenue contributed to the County ending the year in a net positive position.

Recognizing the importance of sales tax revenues to maintaining the County's economic health, and how interesting this information is to the general public, the Comptroller's Office has made what we believe are some helpful and important additions to the annual Sales Tax Update Report, including:

- A description of how sales tax is collected and distributed;
- A look at how sales tax compares to property tax in Dutchess County;
- Insight into the industries with the most taxable sales and purchases.

We learned that, together, the top 5 industries (out of 291) comprise 41% of total taxable sales, with auto dealers being the leading industry. The next four are restaurants, department stores, gas stations, and building material/supply dealers.

According to the 2025 adopted budget, sales tax revenue is projected to be **$268 million**. As of the publication of this report, the year-to-date sales tax payments are down by 0.33% compared to 2024. The Office of the Comptroller is tracking sales tax payment disbursements on a monthly basis in 2025.

Respectfully submitted,

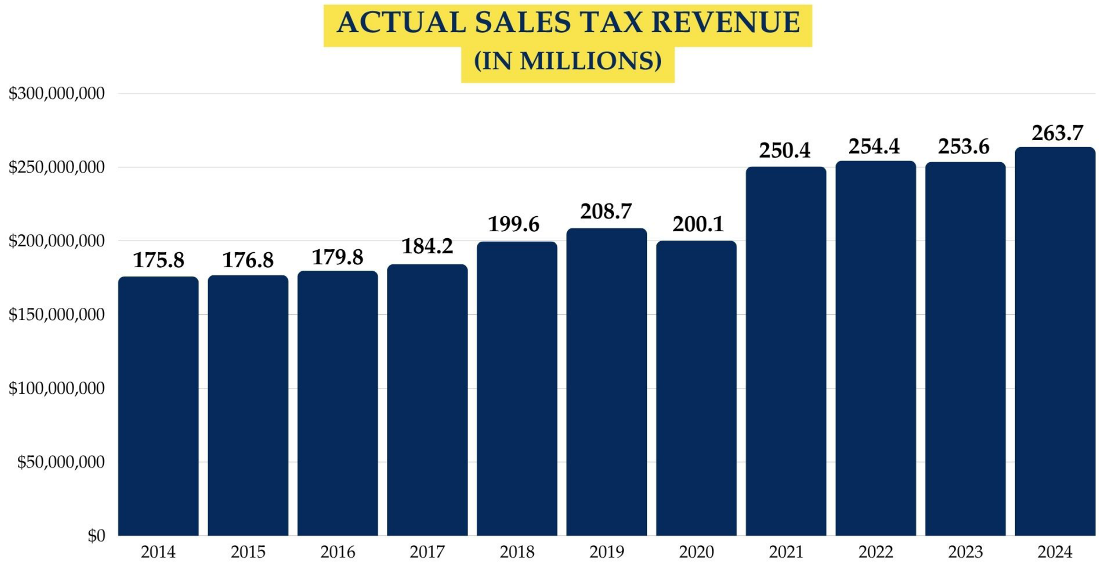
Dan Aymar-Blair

Dan Aymar-Blair
Dutchess County Comptroller

Table of Contents

I. 2024 Revenue Overview

Sales tax collections in Dutchess County totaled **$263.7 million** in 2024, up 4 percent, or **$10.1 million** compared to 2023. Of the **$621 million** in budgeted revenue for 2024, sales tax comprised 42% of the total income received by Dutchess County.



The 2024 sales tax rate in Dutchess County was 8.125%, with 3.75% going to the County, 4% to the State, and .375% to the Metropolitan Commuter Transportation District (MTA). The tax rate for 2025 remains unchanged.

Sales tax receipts by month are shown in **Exhibit I**.

II. Budget to Actuals Comparison

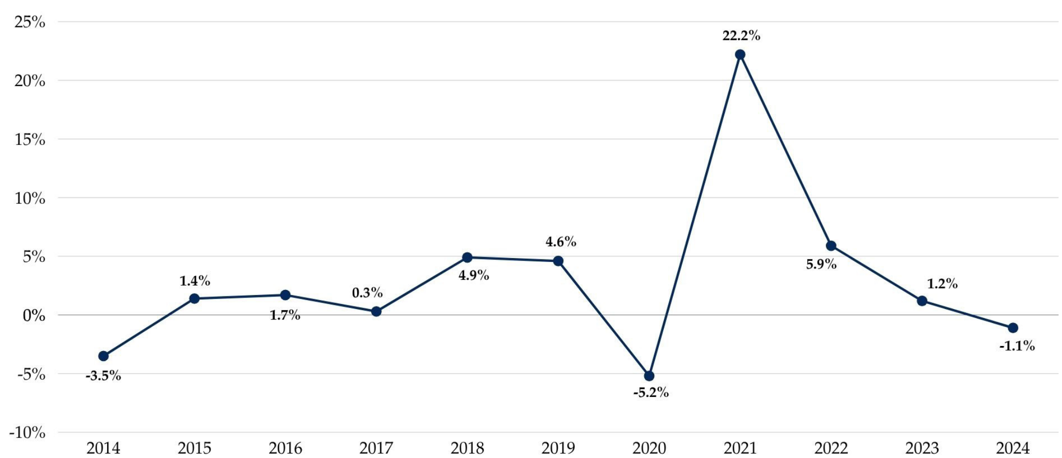
Over the past decade, the actual sales tax revenue has surpassed the budgeted projections in eight out of the ten years. In 2020 sales tax revenue experienced a notable decline of **$11 million** due to the impact of the COVID-19 pandemic. The following year, 2021, generated a record-breaking 22.2% or **$45.4 million** above the budgeted amount. In 2022, the actual sales tax revenue exceeded the budgeted amount by 5.9% or **$14.1 million**, while in 2023, the actual sales tax revenue was 1.2% or **$3 million** higher than the adopted budgeted amount.

Sales Tax Revenue				
Year	Budgeted	Actual	Actual v. Budgeted Difference	% Change Budgeted
2014	$182,240,361	$175,811,195	$(6,429,166)	▼ -3.5%
2015	$174,375,000	$176,781,835	$2,406,835	▲ 1.4%
2016	$176,858,000	$179,795,180	$2,937,180	▲ 1.7%
2017	$183,595,250	$184,155,859	$560,609	▲ 0.3%
2018	$190,210,428	$199,614,941	$9,404,513	▲ 4.9%
2019	$199,511,000	$208,660,332	$9,149,332	▲ 4.6%
2020	$211,137,076	$200,104,807	$(11,032,269)	▼ -5.2%
2021	$205,000,000	$250,439,927	$45,439,927	▲ 22.2%
2022	$240,300,000	$254,414,101	$14,114,101	▲ 5.9%
2023	$250,500,000	$253,598,560	$3,098,560	▲ 1.2%
2024*	$266,747,518	$263,692,322	$(3,055,196)	▼ -1.1%

**Revenue shortfall due to tax increase not implemented.*

In 2024, for the first time since 2020, actual sales tax revenue fell short of budgeted projections, coming in **$3 million** or -1.1% lower than anticipated. The budgeted amount projected a 1% estimated sales tax revenue growth, along with an additional **$9.9 million** from an expected increase in the sales tax rate from 3.75% to 4%, which, if approved, was set to take effect on June 1, 2024. However, the County's home rule request for a sales tax increase was not supported by the state legislature, with whom the state constitution vests authority for sales tax changes. This resulted in the 2024 revenue shortfall identified above.

PERCENTAGE CHANGE 2014-2024



II. Budget to Actuals Comparison, Cont.

The 2025 Adopted Budget projects **$268 million** in sales tax revenue, a 1.6% increase over 2024. As of the writing of this report, sales tax payments year-to-date (May 2025) have decreased 0.33% from last year (May 2024), a difference of **$(233,452)**. The Comptroller's Office continues to closely monitor sales tax revenue trends.

III. Home Rule Request for Sales Rate Increase and Reauthorization

On December 14, 2023, Dutchess County requested Home Rule approval from New York State via Resolution No. 2023230 in order to impose an additional quarter percent increase in sales and compensating use tax, taking the sales tax rate from 3.75% to 4%. However, the request for the rate increase was not supported by the state legislature and therefore not implemented.

Counties need to renew legislative approval every two years to maintain rates above 3%. This approval is regularly renewed. On January 21, 2025, via Resolution No. 2025013, Dutchess County requested Home Rule approval from the State Legislature to adopt legislation permitting the County to extend the previous increase of the sales tax rate from 3% to 3.75% through November 30, 2027. Approval is still pending as of the release of this report.

IV. The Effect of Economic Trends on Sales & Property Tax Revenues

Sales taxes remain the largest source of revenue in Dutchess County, before State and Federal Aid and Real Property and Taxes. Sales tax revenue tends to rise during periods of economic growth and decline during recessions. Due to this fluctuation, local governments may need to raise property taxes or reduce services when the economy slows down in order to balance their budget. Below is a comparison of the County's sales tax and property tax revenue from 2022-2025. In 2024, Dutchess County collected 2.9 times more in sales taxes than property taxes.

	Audited Financial Statements 2022	Audited Financial Statements 2023	Annual Financial Statements* 2024	Budgeted Amount 2025
Sales and Use Taxes	$254,414,101	$253,598,560	$263,692,322	$267,980,000
Real Property Taxes	$102,745,971	$92,630,000	$91,360,826	$87,906,991

** Annual Financial Statements (Not Audited)*

V. Exemption of Sales Tax on Clothing and Footwear

In November 2021, the Dutchess County Legislature adopted Resolution No. 2021198 to exempt sales tax on clothing or footwear items priced under **$110**. This exemption took effect on March 1, 2022, and remains in place as of the writing of this report. A full list of exempt items is available in Publication 718-C[1] from the New York State Department of Taxation and Finance.

Items excluded from exemption include clothing and footwear priced at **$110** or more per item or pair, rented formal wear, costumes, and clothing made with precious metals or stones.

Dutchess County is one of 11 counties in New York State offering this exemption from both state and local sales tax.

1 New York State Department of Taxation and Finance. (2025). *Sales and use tax rates on clothing and footwear.* https://www.tax.ny.gov/pdf/publications/sales/pub718c.pdf

VI. Sales and Purchases by Industry

The New York State Department of Taxation and Finance provides quarterly data on taxable sales, organized by industry group on their website.[2] The table below highlights the County's top 5 industries by taxable sales for the period of March 2024 through February 2025, based on data available as of May 8, 2025. **Note:** The information is reported on a quarterly basis and does not align with the County's fiscal year. The data is based on vendor and purchaser details reported on New York State sales tax returns.

For a full ranking of the top 100 industries, refer to **Exhibit II**.

NAICS GROUP	Description	Taxable Sales and Purchases
4411	Automobile Dealers	$781,089,588
7225	Restaurants and Other Eating Places	$633,894,418
4551	Department Stores	$599,775,771
4571	Gasoline Stations	$417,298,275
4441	Building Material and Supplies Dealers	$406,947,196

Of the 291 reported industry groups in 2024, the top five industries make up 41% of the total sales.

VII. Sales Tax Collection and Distribution

Sales tax revenue is collected by the NYS Department of Taxation and Finance and distributed to Dutchess County. In 2024, the County received twenty-seven payments. The Department of Finance is responsible for recording these payments and distributing them to the cities, towns, and villages. Under the current sales tax sharing agreement, the percentage of sales tax allocated to the cities will gradually increase over the term of the agreement. The City of Poughkeepsie's share will rise from 5.41% to 6.02% and the City of Beacon's portion will increase from 2.35% to 2.62% by 2030. Local towns will continue to receive 9.5% of total County sales tax, with distributions based on population size.

The current sales tax agreement between the Cities of Poughkeepsie and Beacon allocates a set percentage of gross sales tax revenue rates for the next 10 years.

The agreement also allows the distribution of sales tax based on payments received, as opposed to waiting until the end of the year to determine a growth payment. This provides positive cashflow for the municipalities, as they no longer have to wait until the following year for a portion of the distribution based on growth.

Additionally, from 2023 to 2032, the County will deduct **$300,000** annually from the City of Poughkeepsie's share to recoup a **$3 million** sales tax advance provided to the City from the County's share in 2022.

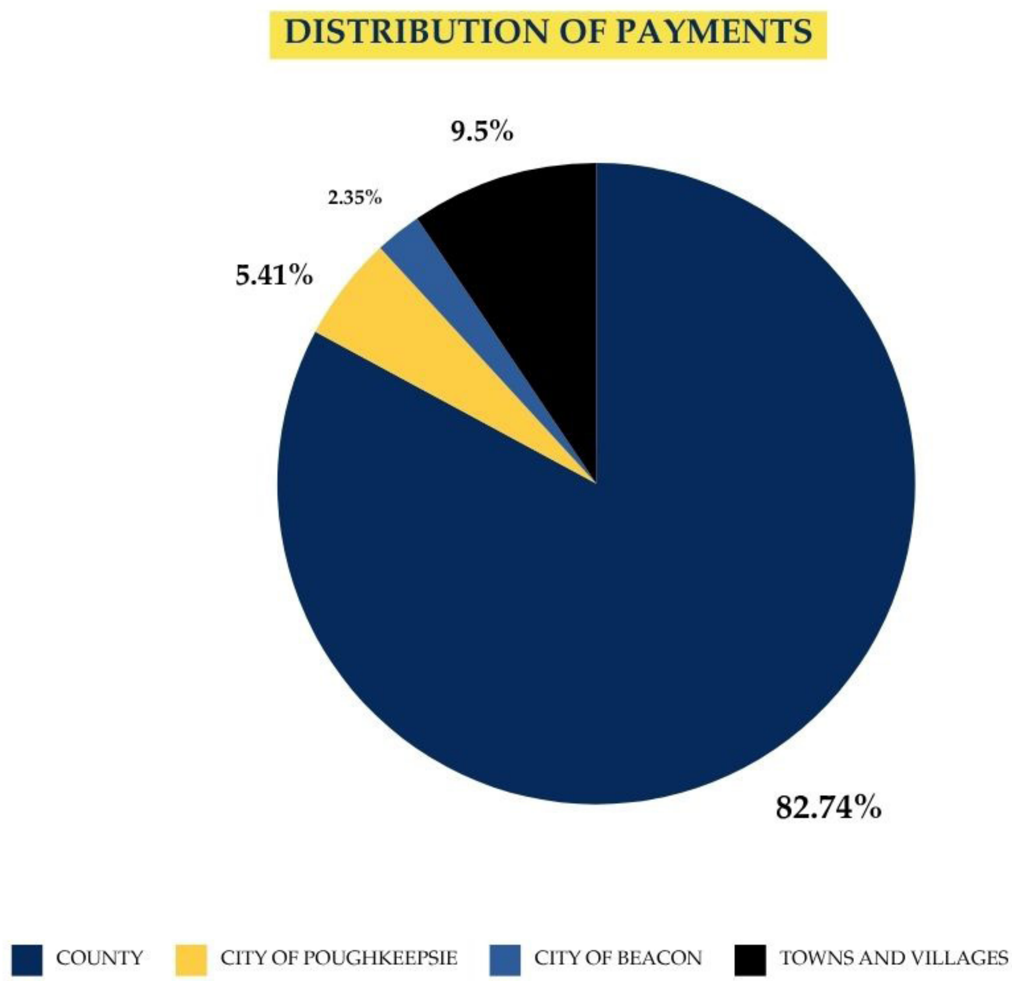
2 *Taxable Sales and Purchases Quarterly Data: Beginning Sales tax Year 2013-2014 | State of New York.* (2025, May 8). https://data.ny.gov/Government-Finance/Taxable-Sales-And-Purchases-Quarterly-Data-Beginni/ny73-2j3u/about_data

VII. Sales Tax Collection and Distribution, Cont.

In 2024, sales tax distributions were allocated as follows:

- The City of Poughkeepsie received **$13,965,755** or 5.41% of the total sales tax revenue. This amount includes an annual incremental deduction of **$300,000** in December as per the sales tax sharing agreement with the County.
- The City of Beacon received **$6,196,770** or 2.35% of the total sales tax revenue.
- The Towns and Villages received **$25,050,771** or 9.5% of the total sales tax revenue on a quarterly basis. Town distribution is based on the most recent U.S. Census population data, updated every 10 years. The 2020 Census figures will remain in use until 2030. Village distribution percentage is determined annually based on Village Tax Apportionments.
- The remaining **$218,479,027** or 82.74% is retained by the County.

County	City of Poughkeepsie	City of Beacon	Towns and Villages	Total Actual Sales Tax Revenue
$218,479,027	$13,965,755	$6,196,770	$25,050,771	**$263,692,322**



A listing of all payments made to municipalities over the last 5 years can be found in **Exhibit II**.

Exhibit I - Sales Tax Receipts by Month 2021-2024

	2021	2022	2023	2024
January	$-	$-	$-	$-
February	$6,907,914	$7,909,429	$9,711,279	$9,167,650
March	$13,535,563	$16,544,432	$19,399,977	$18,601,639
April	$26,626,871	$28,758,751	$18,642,969	$23,909,109
May	$16,070,633	$19,323,119	$19,347,471	$18,900,541
June	$31,804,907	$27,482,153	$26,409,168	$29,151,029
July	$14,551,417	$13,547,169	$15,716,362	$16,496,186
August	$18,572,084	$19,794,973	$20,511,837	$20,724,586
September	$17,780,975	$19,202,445	$20,190,096	$20,382,680
October	$29,956,743	$24,645,297	$27,084,624	$27,660,262
November	$17,971,738	$19,033,631	$19,727,500	$21,053,299
December	$56,661,083	$58,172,703	$56,857,278	$57,645,342
Calculated Total	**$250,439,927**	**$254,414,101**	**$253,598,560**	**$263,692,322**

SALES TAX RECEIPTS BY MONTH 2021-2024

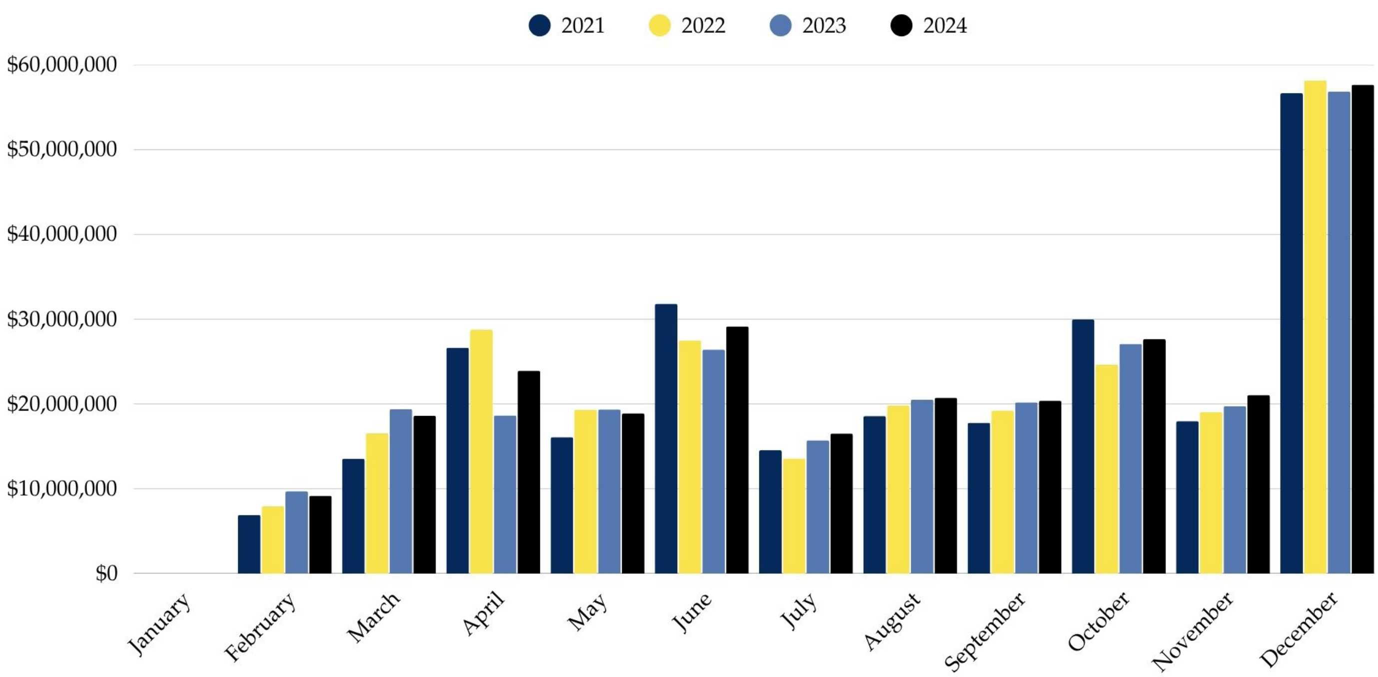


Exhibit II - Top 100 Industries

NAICS Group	Description	Sum of Taxable Sales and Purchases
4411	Automobile Dealers	$781,089,588
7225	Restaurants and Other Eating Places	$633,894,418
4551	Department Stores	$599,775,771
4571	Gasoline Stations	$417,298,275
4441	Building Material and Supplies Dealers	$406,947,196
4451	Grocery and Convenience Retailers	$226,595,137
5415	Computer Systems Design and Related Services	$212,566,464
9261	Administration of Economic Programs	$209,398,775
2211	Electric Power Generation, Transmission and Distribution	$195,478,691
4552	Warehouse Clubs, Supercenters, and Other General Merchandise Retailers	$183,370,736
8111	Automotive Repair and Maintenance	$177,560,256
5617	Services to Buildings and Dwellings	$115,879,619
7211	Traveler Accommodation	$109,065,326
4491	Furniture and Home Furnishings Retailers	$108,924,418
5171	Wired and Wireless Telecommunications (except Satellite)	$103,965,077
4599	Other Miscellaneous Retailers	$101,733,016
4453	Beer, Wine, and Liquor Retailers	$84,776,358
4492	Electronics and Appliance Retailers	$82,897,207
4561	Health and Personal Care Retailers	$78,269,501
4237	Hardware, and Plumbing and Heating Equipment and Supplies Merchant Wholesalers	$75,212,454
4413	Automotive Parts, Accessories, and Tire Retailers	$71,258,338
4581	Clothing and Clothing Accessories Retailers	$69,222,823
5321	Automotive Equipment Rental and Leasing	$63,683,009
2382	Building Equipment Contractors	$62,277,764
5621	Waste Collection	$60,866,366
5132	Software Publishers	$58,041,383
5324	Commercial and Industrial Machinery and Equipment Rental and Leasing	$53,994,600
4572	Fuel Dealers	$53,908,011
4239	Miscellaneous Durable Goods Merchant Wholesalers	$51,027,188
4591	Sporting Goods, Hobby, and Musical Instrument Retailers	$50,429,917
2389	Other Specialty Trade Contractors	$48,143,066

Exhibit II - Top 100 Industries, Cont.

NAICS Group	Description	Sum of Taxable Sales and Purchases
7223	Special Food Services	$46,605,669
4233	Lumber and Other Construction Materials Merchant Wholesalers	$46,212,446
3341	Computer and Peripheral Equipment Manufacturing	$44,305,894
7139	Other Amusement and Recreation Industries	$40,784,768
4412	Other Motor Vehicle Dealers	$39,345,220
5182	Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services	$36,689,350
4238	Machinery, Equipment, and Supplies Merchant Wholesalers	$32,866,830
4452	Specialty Food Retailers	$31,967,595
9999	Unclassified	$31,412,091
4236	Household Appliances and Electrical and Electronic Goods Merchant Wholesalers	$31,316,328
4234	Professional and Commercial Equipment and Supplies Merchant Wholesalers	$29,946,139
3273	Cement and Concrete Product Manufacturing	$29,784,018
4442	Lawn and Garden Equipment and Supplies Retailers	$28,769,298
8113	Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	$28,753,965
5419	Other Professional, Scientific, and Technical Services	$27,119,983
4249	Miscellaneous Nondurable Goods Merchant Wholesalers	$25,122,511
5616	Investigation and Security Services	$24,650,617
4583	Jewelry, Luggage, and Leather Goods Retailers	$24,549,223
4231	Motor Vehicle and Motor Vehicle Parts and Supplies Merchant Wholesalers	$24,244,974
3399	Other Miscellaneous Manufacturing	$23,864,227
4247	Petroleum and Petroleum Products Merchant Wholesalers	$22,575,022
5322	Consumer Goods Rental	$22,039,980
4841	General Freight Trucking	$21,526,931
8114	Personal and Household Goods Repair and Maintenance	$19,989,765
5414	Specialized Design Services	$19,594,854
8129	Other Personal Services	$18,426,236
4594	Office Supplies, Stationery, and Gift Retailers	$17,500,350
3121	Beverage Manufacturing	$17,419,641
4244	Grocery and Related Product Merchant Wholesalers	$17,152,717
5192	Web Search Portals, Libraries, Archives, and Other Information Services	$17,043,348

Exhibit II - Top 100 Industries, Cont.

NAICS Group	Description	Sum of Taxable Sales and Purchases
5313	Activities Related to Real Estate	$16,266,660
2383	Building Finishing Contractors	$16,201,971
2123	Nonmetallic Mineral Mining and Quarrying	$14,461,103
5178	All Other Telecommunications	$13,791,431
7224	Drinking Places (Alcoholic Beverages)	$12,960,528
4242	Drugs and Druggists' Sundries Merchant Wholesalers	$12,244,683
2361	Residential Building Construction	$12,203,464
4582	Shoe Retailers	$12,054,614
5131	Newspaper, Periodical, Book, and Directory Publishers	$11,948,071
4592	Book Retailers and News Dealers	$11,482,738
4232	Furniture and Home Furnishing Merchant Wholesalers	$11,057,636
6113	Colleges, Universities, and Professional Schools	$10,617,007
3231	Printing and Related Support Activities	$9,372,645
3391	Medical Equipment and Supplies Manufacturing	$9,274,387
3329	Other Fabricated Metal Product Manufacturing	$9,066,203
5615	Travel Arrangement and Reservation Services	$9,028,037
5311	Lessors of Real Estate	$9,006,821
3339	Other General Purpose Machinery Manufacturing	$8,952,984
2381	Foundation, Structure, and Building Exterior Contractors	$8,084,756
5629	Remediation and Other Waste Management Services	$7,959,773
5416	Management, Scientific, and Technical Consulting Services	$7,645,244
4922	Local Messengers and Local Delivery	$7,545,491
5222	Nondepository Credit Intermediation	$7,489,794
5511	Management of Companies and Enterprises	$7,387,706
4931	Warehousing and Storage	$7,349,144
2362	Nonresidential Building Construction	$7,193,855
5162	Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers	$6,824,397
3241	Petroleum and Coal Products Manufacturing	$6,304,902
4235	Metal and Mineral (except Petroleum) Merchant Wholesalers	$6,279,462
4595	Used Merchandise Retailers	$6,206,114

Exhibit II - Top 100 Industries, Cont.

NAICS Group	Description	Sum of Taxable Sales and Purchases
5121	Motion Picture and Video Industries	$6,166,581
4593	Florists	$6,129,802
5221	Depository Credit Intermediation	$5,762,386
3219	Other Wood Product Manufacturing	$5,649,279
3261	Plastics Product Manufacturing	$5,523,633
5413	Architectural, Engineering, and Related Services	$5,385,406
3344	Semiconductor and Other Electronic Component Manufacturing	$5,277,987
3334	Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment Manufacturing	$5,169,505
4884	Support Activities for Road Transportation	$5,056,061

Exhibit III - Payments to Municipalities

Municipality	2020	2021	2022	2023	2024
City of Poughkeepsie	$10,219,375	$11,225,277	$14,303,535	$13,419,682	$13,965,755
City of Beacon	$4,465,838	$4,882,113	$4,916,237	$5,959,566	$6,196,770
Town of Amenia	$291,931	$380,697	$376,965	$353,854	$376,814
Town of Beekman	$962,200	$1,389,924	$1,417,446	$1,330,545	$1,416,876
Town of Clinton	$283,770	$398,899	$403,770	$379,016	$403,608
Town of Dover	$572,476	$825,655	$841,646	$790,046	$841,308
Town of East Fishkill	$1,910,382	$2,880,850	$2,971,216	$2,789,055	$2,970,021
Town of Fishkill	$1,310,594	$2,021,909	$2,104,966	$1,978,391	$2,112,504
Town of Hyde Park	$1,419,575	$2,059,302	$2,102,464	$1,973,566	$2,101,619
Town of LaGrange	$1,035,182	$1,551,596	$1,597,776	$1,499,820	$1,597,135
Town of Milan	$155,968	$221,266	$224,539	$210,773	$224,449
Town of North East	$168,155	$244,729	$249,989	$234,783	$249,800
Town of Pawling	$469,025	$664,664	$674,401	$633,194	$673,644
Town of Pine Plains	$162,747	$221,259	$221,838	$208,238	$221,749
Town of Pleasant Valley	$636,508	$952,212	$980,069	$919,984	$979,676
Town of Poughkeepsie	$2,875,882	$4,307,168	$4,465,046	$4,190,955	$4,460,276
Town of Red Hook	$544,748	$730,046	$744,882	$686,323	$732,348
Town of Rhinebeck	$343,920	$501,033	$515,966	$484,501	$518,792
Town of Stanford	$251,589	$361,604	$368,264	$345,686	$368,116
Town of Union Vale	$320,952	$450,551	$455,879	$427,930	$455,696
Town of Wappinger	$1,594,715	$2,428,815	$2,482,995	$2,330,795	$2,483,622
Town of Washington	$255,141	$363,667	$370,485	$348,481	$372,646
Village of Fishkill	$206,247	$314,824	$318,053	$296,078	$309,542
Village of Millbrook	$56,861	$81,358	$81,793	$76,069	$79,451
Village of Millerton	$31,313	$45,964	$47,162	$44,151	$47,232
Village of Pawling	$87,920	$125,095	$126,938	$119,017	$127,373
Village of Red Hook	$125,475	$167,117	$150,178	$153,970	$163,323
Village of Rhinebeck	$152,810	$238,123	$243,765	$228,653	$240,634
Village of Tivoli	$74,674	$100,183	$100,412	$94,149	$99,401
Village of Wappingers	$272,945	$411,356	$421,935	$396,387	$423,117
Annual Total	**$31,258,917**	**$40,547,257**	**$44,280,611**	**$42,903,658**	**$45,213,295**

Appendix I: Glossary of Terms

Compensating/Consumer Use Tax: This tax is imposed on transactions that were subject to sales tax, but not where tax was charged at the time of the sale. This typically occurs when items are purchased out-of-state, ordered through the mail, over the Internet, or by phone from another state. It often applies when a company purchases from an out-of-state seller that is not required to collect sales tax in the purchaser's state. It is imposed on the use, storage, or consumption of tangible personal property. (Adapted from Vertex)

Home Rule: A governing principle allowing a local legislative entity to operate independently of a larger government entity (i.e., New York State). However, in the case of sales tax, the NYS constitution vests authority for sales tax changes with the State Legislature, requiring that "home rule" changes introduced by the County related to sales tax be considered by the State prior to approval or denial.

Sales Tax: A tax on transactions. It is calculated as a percentage of the sale price of taxable goods and certain taxable services. Sales tax is usually imposed on the purchaser (consumer) at the point of sale. The seller collects the tax from the purchaser and sends it to the state, county, and local taxing jurisdictions. Those governments then use it, along with other forms of revenue, to fund their operations. (Adapted from Vertex)

Shortfall: In the case of a budget, which anticipates a certain monetary amount to be spent, a "shortfall" will occur when the expected funding amount is not met by the time the budgeted period of time begins.

OFFICE OF THE DUTCHESS COUNTY COMPTROLLER

DAN AYMAR-BLAIR, COMPTROLLER

22 MARKET STREET, 4TH FLOOR
POUGHKEEPSIE, NY 12601
WWW.DUTCHESSNY.GOV/COMPTROLLER
COMPTROLLER@DUTCHESSNY.GOV
(845) 486-2050

@comptrollerdan