

## AIM and AIM-Related Payments

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## Aid and Incentives for Municipalities (AIM) History

- AIM combined a number of different unrestricted state aid programs in 2006
- AIM funded at \$714.7 million in 2018-19 and had been flat for a number of years
  - Cities, towns and villages
- Historically, OSC makes AIM payments to local governments at DOB's direction



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## AIM and AIM-Related Payments 2019-20 Executive Budget

- Governor Cuomo proposed eliminating AIM in 2019-20 Executive Budget for most towns and villages
  - 1,326 didn't meet a defined AIM-reliance standard
  - All cities and 137 towns and villages would still receive AIM
- Represented a savings of \$59.2 million for the State



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## AIM and AIM-Related Payments 2019-20 Enacted Budget

- Changes to New York State Tax Law
  - Internet Sales Taxes (“Online Marketplace Provider Law”)
- Governor and Legislature assumed that counties will benefit from increase in internet sales tax
  - Funds for the “AIM-Related” payments were restored, BUT will now be paid from county sales tax collections.
  - OSC responsible for withholding county sales tax collections and distributing to certain towns and villages.

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## AIM and AIM-Related Payments 2019-20 Enacted Budget

- All cities and 137 towns and villages will receive AIM payments as they always have
  - Towns and villages: September
  - Cities’ payment schedule:
    - [www.budget.ny.gov/pubs/archive/fy20/enac/fy20en-aim-paysched.pdf](http://www.budget.ny.gov/pubs/archive/fy20/enac/fy20en-aim-paysched.pdf)
- 1,227 towns and villages will receive the new AIM-Related payments\*
- This is a permanent change in law

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## AIM and AIM-Related Payments When Will We Receive Payments?

- 1,227 towns and villages will receive the new AIM-Related payments\*

Local Fiscal Year End Date	AIM-Related Payment Date
February 28, March 31, July 31, December 31	On or before December 15, 2019
May 31	On or before May 15, 2020

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## AIM and AIM-Related Payments OSC Responsibilities

- Withhold county sales tax collections
  - Early December and early May
- Make AIM-Related payments to towns and villages that don't meet DOB's reliance standard

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## AIM-Related Accounting Guidance

- New Revenue Code 2750 for AIM-Related Payments
  - Code will be available in both the General Fund (A) and the General Fund Town-Outside-Village (B).
- Accounting Bulletin will be issued before the end of the year.

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## AIM-Related Payments in Nassau County and Erie County

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## What Towns and Villages Need to Do Now

- Find out whether you received AIM in September OR will be receiving an AIM-Related payment in either December or May.
- Plan for the change in timing of the payments.
  - We sent letters in early July and last week, notifying the 1,326 towns and villages that will no longer be receiving AIM.
  - Payment months are posted on our website

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## AIM and AIM-Related Resources

- OSC AIM and AIM-Related Webpage
  - Payment date and amount spreadsheet
    - Cities, towns and villages
  - Sales tax withholding spreadsheet
    - Counties
  - Final AIM-Related Legislation
  - AIM-Related Accounting Guidance (coming soon)

[www.osc.state.ny.us/localgov/datanstat/stateaid/index.htm](http://www.osc.state.ny.us/localgov/datanstat/stateaid/index.htm)

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## Thank You

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