

In the Matters of the

ONEIDA INDIAN NATION OF NEW YORK,

Petitioner/Plaintiff,

- vs -

TANYA M. PIFER, as Assessor of the TOWN OF LENOX, ET AL.,

Index No. 05-1532

LONNIE P. STEDMAN, as Assessor of the CITY OF ONEIDA, ET AL.,

Index No. 05-1533

TANYA M. PIFER, as Assessor of the TOWN OF STOCKBRIDGE, ET AL.,

Index No. 05-1534

TANYA M. PIFER, as Assessor of the TOWN OF LINCOLN, ET AL.,

Index No. 05-1535

RAYMOND A. MANN, as Assessor of the TOWN OF SULLIVAN, ET AL.,

Index No. 05-1536

PRISCILLA J. SUITS, as Assessor of the TOWN OF FENNER, ET AL.,

Index No. 05-1537

RHONDA M. WEIGAND, as Assessor of the TOWN OF SMITHFIELD, ET AL.,

Index No. 05-1538

TANYA M. PIFER, as Assessor of the TOWN OF LINCOLN, ET AL.,

Index No. 05-1606

Respondents/Defendants.

For a Judgment pursuant to Article 7 of the Real Property Tax law and Article 78 and Section 3001 of the Civil Practice Law and Rules

AFFIDAVIT OF HAROLD C. LANDERS

STATE OF NEW YORK)
)S.S.:
COUNTY OF MADISON)

HAROLD C. LANDERS, being duly sworn, deposes and says:

1. I am the duly elected Treasurer in and for the County of Madison, a position I have held since 1978. I am over 18 years old and am competent to make this Affidavit. I have personal knowledge of the statements made herein and make this Affidavit in Support of the County of Madison's Motion to Dismiss in the above-captioned matter.

2. As of December 31, 2004, there were unpaid Real Property taxes levied by Madison County against properties owned by the Oneida Indian Nation of New York in the amount of approximately \$1.4 million dollars for the fiscal year 2004, not including county taxes owed on property within the City of Oneida.
3. During the same fiscal year it is estimated that uncollected Local Sales and Use Taxes on taxable sales by Oneida Indian Nation of New York to other than Native Americans made in Madison County was \$6.5 million dollars.
4. If the County had received only the \$1.4 million in real property taxes owed in fiscal year 2004, the 2005 County tax levy would have been reduced by 5%.
5. If the County had received the estimated \$6.5 million Sales and Use taxes owed in fiscal year 2004, the 2005 County tax levy would have been reduced by approximately 20%.
6. Overall, the payment of these unpaid and delinquent real property taxes and the collection and remittance of local sales and use tax on taxable sales to other than Native Americans would have reduced by approximately \$7,150,000, or 25%, the County tax liability of all taxpayers, including the Oneida Indian Nation.
7. There would also be decreases in Oneida City taxes, Village taxes, Town taxes and City School taxes. Several Central School districts' tax levies that contain Oneida Indian Nation properties would also be impacted.
8. Between 1990 and 1998 the average County tax levy increase was 4.2% per year. Since 1998 the average County tax levy increase has been 8.5%. Since September 1, 1998 the lands owned by the Oneida Indian Nation of New York in Madison County and unilaterally declared by the Nation to be sovereign

and not subject to real property tax increased from 755.3 acres to 6,595.1 acres as of September 1, 2005.

9. Over the last five to ten years, the County has seen its investment grade credit-rating drop from an A to an A3. Though our current credit rating is still investment grade, the decline has increased our borrowing cost on bonds we have issued in the last five years.
10. As a result of this decrease in our credit rating, the County has been reluctant to undertake significant and necessary capital improvements. For example, it has not replaced our outdated communication system of towers and two-way radios that are used by the county and local municipal police, fire and medical personnel. The estimated replacement cost of \$9 million dollars puts this project beyond the financial reach of this County when the estimated annual average debt service would be \$1,147,500. With the cloud over our Real Property Tax revenues and Sales and Use Tax revenue, there is even some doubt as to the County's ability to meet debt service liability for this very important and necessary capital expense.
11. Total unpaid taxes, interest and penalties for the parcels in the 03-999 State Court tax foreclosure action, as of May 31, 2005, were \$2,971,675.13. Upon information and belief, the sums owed the City of Oneida through March 31, 2005 were \$4,331,723.74 inclusive of an additional \$1,198,130.73 for County taxes for which the City is the collecting agent.
12. The receipt of these taxes would allow both a further, significant reduction in taxes and the funding for necessary but deferred expenditures such as proper highway maintenance.

13. The restoration of payment of these taxes from the thousands of acres of Oneida properties will stabilize our tax base and permit the County to provide at affordable rates the necessary services and infrastructure relied upon by both our citizens and the Oneida Indian Nation of New York.
14. The Oneida Indian Nation of New York's practice of not paying any real property taxes should be contrasted to the Oneida Tribe of Indians of Wisconsin and the Stockbridge-Munsee Community who have paid real property taxes under protest. Payment by both of these tribes of real property taxes on properties owned by them in Madison County is current, having been paid over the last several years under protest.

WHEREFORE, it is respectfully requested that the relief requested by the County of Madison be granted.



**HAROLD C. LANDERS, TREASURER
MADISON COUNTY**

Sworn to this 2nd day
of September, 2005.



Notary Public—State of New York
Appointed in Madison County
My commission expires:

SUSAN I. FRANK
Reg. No. 4874672
Notary Public, State of New York
Appointed in Madison County
My Commission Expires Oct. 27, 20 06