

TO: HONORABLE BOARD OF LEGISLATORS  
COUNTY OF WESTCHESTER

The Committee is in receipt of “AN ACT of the Westchester County Board of Legislators electing a cents per gallon rate of sales and compensating use taxes on motor fuel and diesel motor fuel, in lieu of the percentage rate of such taxes, pursuant to the authority of Article 29 of the Tax Law of the State of New York.”

Your Committee is aware that gasoline prices have risen precipitously recently, due to a myriad of factors including both inflationary pressures and the war in Ukraine. The average price for a gallon of gas in the State of New York has been over \$4 a gallon for since early March. Due to these rapidly increased prices, the State of New York has suspended or reduced taxes on gasoline beginning on June 1st. The State has also authorized legislation to allow local governments to cap sales and use taxes on gasoline at a specific cents per gallon rate, instead of the variability of a percentage rate.

Your Committee is informed that the enclosed Act utilizes that authority to cap the sales tax on gasoline at a rate equal to the County’s sales tax applied to a \$3.00 gallon of gasoline, or 12 cents per gallon, for the period of June 1<sup>st</sup> through August 31<sup>st</sup>. This will help mitigate the impact of high gasoline prices on our residents, who are dealing with high inflationary pressures throughout their lives.

Your Committee is further informed that, in order to have this cap go into effect on June 1, 2022, the County is required to have certified copies of the Act delivered to the New York State Department of Taxation and Finance no later than Monday, May 2, 2022. As such, your Committee believes that it is appropriate to take immediate action on this legislation.

Your Committee is informed that the proposed legislation does not meet the definition of an action under New York State Environmental Quality Review Act and its implementing regulations 6 NYCRR Part 617. Please refer to the memorandum from the Department of Planning dated January 14, 2022, which is on file with the Clerk of the Board of Legislators. Your Committee concurs in this conclusion.

Your Committee believes that passing this Act will provide needed relief to residents of Westchester County. The Committee, after careful consideration, recommends the adoption of this Act.

Dated:                      2022  
                    White Plains, New York

COMMITTEE ON

# FISCAL IMPACT STATEMENT

SUBJECT: \$3 Motor Fuel SUT Cap 6 - 8/2022

NO FISCAL IMPACT PROJECTED

## OPERATING BUDGET IMPACT

To Be Completed by Submitting Department and Reviewed by Budget

### SECTION A - FUND

GENERAL FUND

AIRPORT FUND

SPECIAL DISTRICTS FUND

### SECTION B - EXPENSES AND REVENUES

Total Current Year Expense \$ (708,000)

Total Current Year Revenue \$ (3,000,000)

Source of Funds (check one):  Current Appropriations  Transfer of Existing Appropriations

Additional Appropriations

Other (explain)

Identify Accounts: 101-52-1000-9032; 101-52-2102-5100

Potential Related Operating Budget Expenses: Annual Amount \$ -

Describe: \_\_\_\_\_

Potential Related Operating Budget Revenues: Annual Amount \$ -

Describe: \_\_\_\_\_

### Anticipated Savings to County and/or Impact on Department Operations:

Current Year: Capping the imposition of SUT to the first \$3 per gallon of motor fuel sales for the period 6/1 - 8/31/2022 is estimated to reduce SUT collected by \$3M and SUT distributed by \$0.7M

Next Four Years: \_\_\_\_\_

Prepared by: Gideon Grande

Title: Deputy Director

Department: Budget

Date: April 26, 2022

Reviewed By: 

Budget Director

Date: 4/26/22

ACT NO. \_\_\_\_ - 2022

AN ACT of the Westchester County Board of Legislators electing a cents per gallon rate of sales and compensating use taxes on motor fuel and diesel motor fuel, in lieu of the percentage rate of such taxes, pursuant to the authority of Article 29 of the Tax Law of the State of New York

Be it enacted by the Board of Legislators of the County of Westchester, as follows:

§ 1. Act No 77-1971, enacted by the Board of Legislators of the County of Westchester, imposing sales and compensating use taxes, as amended, is amended by adding a new section 4-B to read as follows:

SECTION 4-B. Cents per gallon rate of sales and compensating use taxes on motor fuel and diesel motor fuel.

Notwithstanding any provision of this enactment to the contrary, in lieu of the percentage rate of sales and compensating use taxes imposed on receipts from the retail sale of and consideration given or contracted to be given for, or for the use of, motor fuel and diesel motor fuel, such taxes shall be imposed at a rate of cents per gallon of such motor fuel or diesel motor fuel, in the manner prescribed by subdivision (m) of section 1111 of the New York Tax Law, provided that, for purposes of calculating the cents per gallon rate of tax, such receipts or consideration shall be limited to three dollars (\$3.00) per gallon of either such fuel. Provided that, if the average price of such fuels changes as described in such subdivision (m) of section 1111 of the Tax Law, the Commissioner of Taxation and Finance shall adjust the cents per gallon tax rate on such fuels in the manner prescribed in such subdivision (m) of section 1111 of the Tax Law.

§ 2. This enactment shall take effect on June 1, 2022, and shall expire and be deemed repealed on September 1, 2022.