



Legislation Text

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Res. No. 1149

Resolution calling upon the New York State Legislature to amend the New York Tax Law to give the City of New York the authority to replace its portion of the sales tax on motor fuel and diesel fuel with an excise tax, setting a flat/fixed cents per gallon tax rate.

By Council Members Avella, The Speaker (Council Member Miller), Weprin, Gentile, Provenzano, Quinn, Oddo, Gennaro, Nelson, Gallagher, The Public Advocate (Ms. Gotbaum), Brewer, Comrie, Fidler, Gerson, James, McMahon, Palma, Sanders Jr., Sears, Arroyo and Koppell

Whereas, Gas, crude oil and heating oil prices have reached an all time high all across our nation; and

Whereas, According to the *New York Times*, oil and gasoline prices rose sharply amid “reports of damage to oil production and refineries from Hurricane Katrina”; and

Whereas, Many U.S. companies are passing on their rising fuel costs to their customers; and

Whereas, The price of gasoline has risen 30 percent in New York City over the last year and skyrocketing crude oil prices are eating away at the incomes of New Yorkers; and

Whereas, According to *CNNMoney*; “it is lower income families that get hit the hardest, spending as much as six percent of their budget to drive their car to work...” and,

Whereas, Both the federal government and the New York State government impose flat/fixed rate taxes on motor fuel and diesel motor fuel at rates totaling 18.4 cents per gallon and 23.6 cents per gallon, respectively; and

Whereas, New York City consumers are also forced to pay an 8.375 percent sales tax, which includes a 4 percent New York City tax, based upon a percentage of the sales price of a gallon rather than a flat/fixed cents per gallon tax; and

Whereas, Given the tremendous increase in the cost of oil over the past few years, almost doubling in

that period, consumers in New York City are not only being squeezed financially by the base price of oil, but are also being squeezed financially in relation to New York City's sales tax revenue that has gone up with the price of oil; now, therefore, be it

Resolved, That the New York City Council calls upon the New York State Legislature to amend the New York Tax Law to give the City of New York the authority to replace its portion of the sales tax on motor fuel and diesel fuel with an excise tax, setting a flat/fixed cents per gallon tax rate.

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