



Legislation Text

File #: Res 1166-2005, **Version:** *

Res. No. 1166

Resolution calling upon the State Legislature to introduce and adopt, and the Governor to sign, legislation which would amend the State Tax Law to allow the City of New York to temporarily suspend the sales tax on heating oil.

By Council Member Gennaro, Weprin, McMahon, Avella, Comrie, Fidler, Gentile, Gerson, Jackson, James, Liu, Nelson, Rivera, Sanders Jr., Seabrook, Stewart, Vallone Jr. and The Public Advocate (Ms. Gotbaum)

Whereas, According to a *New York State Energy Research and Development Authority Weekly Heating Fuels Report*, published on September 5, 2005, heating oil, propane and kerosene prices in New York State have reached historic highs and the weekly average home heating oil price has increased by over 50% compared to the exact same time last year; and

Whereas, These dramatic price increases are most likely attributable to recent events including capacity problems, speculation behind higher oil prices, and the devastation of a number of tropical storms and hurricanes, most notably Hurricane Katrina, to the U.S. Gulf region's oil-producing infrastructure; and

Whereas, KeySpan Energy, which sells gas in New York City and Long Island, is currently projecting that as a result of these events its consumers will be required to pay at least 25% more for home heating oil this winter over last winter; and

Whereas, This surge in price affects homeowners in the Northeast more than in other parts of the country, because homeowners in the Northeast generally, and in New York in particular, disproportionately rely on oil to heat their homes; and

Whereas, This increase in home heating oil prices, which in some cases translates into tens and hundreds of additional dollars per month for a homeowner, disproportionately affects persons of low and middle income, many of whom are struggling to keep their homes heated; and

Whereas, Section 1107 of the State Tax Law directly imposes New York City's local portion of the sales tax which imposes a 4% tax on the receipts from the sale of home heating oil; and

Whereas, unlike most other jurisdictions, New York City lacks the authority to eliminate its sales tax on the sale of such receipts without State authorization; and

Whereas, During this period of constricted supply and exorbitant prices which are adversely affecting so many New York homeowners, some measure of temporary relief can be provided by state and local governments in the form of a suspension of the sales tax on home heating oil; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the State Legislature to introduce and adopt, and the Governor to sign, legislation which would amend the State Tax Law to allow the City of New York to temporarily suspend the sales tax on heating oil.

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