



NEW YORK STATE SENATOR

John W. Mannion

Senator Mannion & Assemblywoman Hunter Introduce Legislation to Cap the New York State Tax on Gasoline at 25 Cents per Gallon

JOHN W. MANNION March 10, 2022

| ISSUE: **GASOLINE TAXES, GAS TAX**

ALBANY, NY – Senator John W. Mannion (D-Geddes) and Assemblymember Pamela Hunter (D-Syracuse) today introduced legislation ([S.8539](#)) capping the New York State tax on gasoline at 25 cents per gallon. The amount is based on the average 2021 price of \$3.09 per gallon that the Division of Budget used for its 2022-2023 revenue projections.

Senator John W. Mannion said, “This legislation strikes the right balance – it’s a decisive action with immediate cost-savings for New Yorkers while preserving the state’s need to collect taxes and meet its revenue projections. My bill caps the gas tax at 25 cents per gallon - essentially freezing state and county taxes on any gas priced above \$3.09. Importantly, there would be no hardships or bureaucratic burdens placed on station owners or wholesalers.”

Assemblymember Pamela Hunter said, “People all over the country have watched as the price of gas at their local station has jumped by fifty cents or more within just the last week. Families already struggling with inflation for basic goods at the grocery store have been especially hit hard. A cap on the amount of tax collected per gallon would provide immediate relief and help those who rely on their vehicles to earn a living. I am happy to sponsor legislation to create a gas tax cap and will look to see it enacted as soon as possible.”

New York State collects a 4 percent tax on gasoline regardless of the per gallon price, while County tax varies, it typically matches the state's 4 percent. This legislation will not allow the sales tax on gasoline to exceed 8 percent of \$3.09 - the average cost of gasoline per gallon in 2021 according to the New York State Energy Research and Development Authority.

The New York State Division of Budget's revenue projections are based on the \$3.09 average price in 2021. Therefore, capping tax collections at that amount will ease the burden of rising energy costs on families without disrupting the budget or projected revenue. In addition, Senator Mannion's bill would not create any new hardships or bureaucratic hurdles for station owners or wholesalers.

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