

Dutchess County: Local Sales and Use Tax Exemption for Residential Energy Sources and Services

Beginning **June 1, 2014**, sales and uses of residential energy sources and services in Dutchess County are exempt from the county's sales and use tax. Since these sales and uses are already exempt from New York State tax, they will be fully exempt from state and local sales and use tax.

Residential energy sources and services are:

- natural gas
- propane sold in containers of 100 pounds or more
- electricity
- steam
- gas, electric, and steam services
- coal
- fuel oil
- wood (for heating purposes only)

The sales tax rate on **nonresidential** energy sources and services is not affected by this change.

Sales of residential energy sources and services are not subject to sales or use tax if the exemption is in effect at the time of delivery, even if the sales were contracted for before this change, unless the sales are made periodically (for example, monthly) and are based on meter readings.

Sales based on meter readings

If the meter is read on or after June 1, 2014, and the number of days from June 1, 2014, to the date of the meter reading is more than half the total number of days covered by the bill, the sale is fully exempt from state and county sales and use tax. Otherwise, it is subject to county tax but not state tax.