

Change to the Residential Fuel Oil Storage Tank Credit
Effective April 1, 2002

Effective April 1, 2002, section 606(p-1) of the Tax Law, relating to the residential fuel oil storage tank credit, has been amended. The amendment extends the credit for an additional year, through 2003, and changes the requirements for claiming the credit for residential fuel oil storage tanks removed or permanently closed after March 31, 2002.

Taxpayers who remove or permanently close an unprotected residential fuel oil storage tank after March 31, 2002, but before January 1, 2004, **must** replace the tank that was removed or permanently closed with a new residential fuel oil storage tank in order to qualify for the credit. The credit is equal to the lesser of the total cost of tank removal or permanent closure **and** replacement, or \$500.

Prior to April 1, 2002, the credit was allowed for up to \$250 of the costs for tank removal, up to \$250 of the costs for permanent closure, and up to \$250 of the costs for the purchase and installation of a replacement tank. Additionally, there was no requirement to replace a residential fuel oil storage tank that was removed or permanently closed in order to qualify for the credit.