

## STATEMENT OF NECESSITY

### DEPARTMENT OF TAXATION AND FINANCE

Specific reasons underlying the finding of necessity: Tax Law section 523 imposes a tax on fuel use for the privilege of operating any qualified motor vehicle upon the public highways of this state. The attached rule amends the fuel use tax regulations to set the fuel use tax rates for the period January 1 – March 31, 2024.

The amendments were readopted on an emergency basis in order to preserve the general welfare of the people of the state of New York. For each calendar quarterly reporting period, carriers must calculate their fuel use tax based upon a sales tax component and a composite rate per gallon for motor fuel and diesel motor fuel. These rates are set forth by the Commissioner in the fuel use tax regulations. Due to a computational error in the fuel use tax rates originally proposed on November 13, 2023, it was necessary to adopt corrected rates for the first calendar quarter on an emergency basis and propose such rates as a permanent rule, on February 8, 2024, in order to have them in place in time for carriers to report and pay their fuel use tax in a timely manner. It was necessary to readopt the rule as an emergency measure to avoid a gap between the expiration of the original emergency rule and the effective date of the permanent rule.