



Westchester County Local Sales and Use Tax Exemption on Residential Energy Sources and Services

Beginning December 1, 2022, and continuing through February 28, 2023, receipts from the retail sale of **residential** energy sources and services in **Westchester County** are exempt from the county's sales and use tax. These sales and uses are already exempt from New York State tax.

Cities and school districts within Westchester County that impose tax on sales of residential energy sources and services will continue to impose sales and use tax. Rates within these cities and school districts have been updated to reflect the county's exemption. For more information, see [Publication 718-R](#), *Local Sales and Use Tax Rates on Residential Energy*.

Sales of residential electricity sold under a solar power purchase agreement are already exempt from the state and county sales and use tax. Cities and school districts within Westchester County that impose tax on sales of residential electricity sold under a solar power purchase agreement will continue to impose sales and use tax at their current rates. For more information, see [Publication 718-PPA](#), *Local Sales and Use Tax Rates on Sales of Electricity Under Solar Power Purchase Agreements*.

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

The term *residential energy sources and services* refers to the following tangible personal property and services used for residential purposes:

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

Special transitional exceptions

Sales of consumer utilities are subject to any sales tax in effect **at the time of delivery** to the customer, even if the sales were contracted for **before** this change. The exception to this is described in Tax Bulletin [Transitional Provisions for Sales Tax Rate Changes \(TB-ST-895\)](#).

Residential energy source provider: Provide a refund or credit to customers of any taxes previously collected that are now overpaid due to the:

- customer paying for the residential energy source under a contract or installment sale, and
- delivery of the residential energy source occurring on or after the effective date of the tax rate reduction.