



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

Beginning December 1, 2023, and continuing through February 29, 2024, receipts from the retail sale of **residential** energy sources and services in **Erie County** are exempt from the county's sales and use tax. These sales and uses are already exempt from New York State tax.

Lackawanna School District, within Erie County, will continue to impose sales and use tax on receipts from the retail sale of residential gas, propane (100 pounds or more), electricity, and steam, as well as on gas, electric, and steam services. The rate within the Lackawanna School District has 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. Lackawanna School District will continue to impose sales and use tax on receipts from the retail sale of residential electricity sold under a solar power purchase agreement. The rate within the Lackawanna School District will remain the same. 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* means 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).

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.