

Section 182-a of Article 9  
(3/4 of 1% Tax on Oil Companies)

PETROLEUM FUTURES

Question: Is a corporation that purchases petroleum futures an "oil company" for purposes of Section 182-a of the Tax Law?

Answer: A corporation which purchases a contract for future delivery of petroleum is not an "oil company" under Section 182-a of the Tax Law UNLESS:

1. The corporation is subject to tax under Article 9-A of the Tax Law

AND EITHER

2. It accepts delivery of petroleum outside New York State and imports petroleum into New York State for sale in New York State,

OR

3. It accepts delivery within New York State of petroleum which it purchased for resale and the maker of the future contract for that petroleum is not an "oil company" taxable under Section 182-a of the Tax Law when the petroleum is delivered.