



## Department of Taxation and Finance

### **Important:**

The information concerning the Fuel Use Tax is out-of-date and is provided only for historical purposes.

For the most up-to-date information on the Fuel Use Tax, see [Fuel use tax/international fuel tax agreement \(IFTA\)](#), Tax Law §523(b), and 20 NYCRR 492.1(b)(1).

The TSB-M begins on page 2 below.

**New York State Department of Taxation and Finance**  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-M-91 (5) M  
Fuel Use Tax

Subject: Sales Tax Component; July, August and September 1991  
(MT-904)

Instructions for Computing Fuel Use Tax Liability

For the months of July, August and September 1991 and for the quarterly period July through September 1991, sales tax components of 8.8 cents for diesel motor fuel and 8.2 cents for other motor fuel have been established. These sales tax components were determined by applying the statutory rate of 7% to a prevailing price per gallon, established by the Commissioner of Taxation and Finance. The components were computed separately for motor fuel and diesel motor fuel, based on the prices charged in the preceding calendar quarter at ten selected truck stops in New York State.

The aggregate fuel use tax rates, as reflected on the Form MT-903, Combined Truck Mileage and Fuel Use Tax Return, have been computed as follows:

MOTOR FUEL: 28.97¢ (8¢ motor fuel tax plus 8.2¢ sales tax component plus 12.77¢ petroleum and other energy business tax)

DIESEL MOTOR FUEL: 31.57¢ (10¢ diesel motor fuel tax plus 8.8¢ sales tax component plus 12.77¢ petroleum and other energy business tax)

Instead of using the prevailing price sales tax component stated above, a carrier who maintains substantiating records may elect to compute the sales tax components for diesel and other motor fuel based on the average price per gallon of these fuels used during the reporting period. To compute the sales tax components separately for diesel and for other motor fuels, proceed as follows:

1. Determine the total cost of fuel used during the period, including federal, state and local taxes, but not including any state or local sales taxes.
2. Divide this total cost of fuel used by the total number of gallons of fuel you purchased for use in your operations (either inside or outside New York State) to arrive at the average price per gallon.
3. Compute the sales tax component by multiplying the average price per gallon by 7% (rounding to the nearest tenth of a cent; e.g.,  $8.753 = 8.8$ ).
4. Add the resulting sales tax component to the motor fuel and petroleum and other energy business taxes (22.77 cents for diesel; 20.77 cents for other motor fuel).

If the rates you calculated are different from the preprinted rates on the return, indicate your rates at lines 7a and 7b, and use them in computing the fuel use tax liability.

The fuel use tax credit for motor fuel and diesel motor fuel purchased in New York State during the calendar quarter but not consumed in New York State (line 6b) should be computed at the tax rates indicated on lines 8a and Bb. The sales tax component credit is not allowed on fuel purchased in New York State but not used in New York State.

If you have any questions, please call toll-free (from New York State only) 1-800-CALL TAX (1-800-225-5829). From outside New York State, call 1-518-438-8581.