



# COUNTY OF ERIE

**MARK C. POLONCARZ**

COUNTY EXECUTIVE

April 27, 2026

Members of the Erie County Legislature  
Erie County Legislature  
92 Franklin Street  
Buffalo, New York 14202

**RE: Proposed Permanent Motor Fuel Sales Tax Exemption – Fiscal Impact on Erie County and Municipal Partners**

Dear Honorable Members of the Legislature:

I am writing to you regarding Resolution 26INTRO 7-3, introduced by the Minority Caucus, which would permanently convert Erie County's motor fuel sales and compensating use tax from a percentage-based rate to a cents-per-gallon method. This effectively caps tax collections at the first \$2.00 per gallon. Enclosed is a detailed cost and statistical analysis prepared by the Division of Budget and Management for your review.

The fiscal consequences of this exemption are significant and fall disproportionately on municipalities already operating under conditions of fiscal stress. Erie County and its local government partners – including municipalities, school districts, and the NFTA – collectively forfeited over \$20 million in sales tax revenue over the 6 quarters when prior temporary exemptions were in effect. A permanent exemption would institutionalize these losses indefinitely. For cities like Buffalo, which is experiencing substantial budgetary challenges, the ongoing reduction in sales tax receipts would directly undermine its ability to deliver core services to its residents.

In light of the enclosed analysis, I respectfully urge the Legislature to carefully weigh the absence of demonstrated consumer benefit against the certain and ongoing revenue harm this exemption would impose on Erie County and every participating municipality.

**Poloncarz Letter to Legislature on Proposed Permanent Motor Fuel Sales Tax Exemption**  
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Thank you for your careful review of this matter. I trust you will recognize that this proposal would shift fiscal burdens onto Erie County and its municipal partners, thereby undermining their financial stability and ability to provide essential services, and will act accordingly.

Respectfully submitted,

A handwritten signature in blue ink, reading "Mark C. Poloncarz", with a long horizontal flourish extending to the right.

Mark C. Poloncarz Esq.  
Erie County Executive

MCP/mc,job

Enclosure: Motor Fuel Sales Tax Exemption – Cost and Statistical Analysis

## Fuel Sales Tax Exemption Analysis

		Prior Exemptions Cost	New Exemption Cost Annually
	Niagara Frontier Transportation Authority	\$ 529,459	\$ 498,199
<b>Type</b>	<b>School Distribution:</b>		
	Buffalo Public School District	\$ 1,138,920	\$ 1,071,677
	Lackawanna School District	\$ 76,237	\$ 71,735
	Tonawanda School District	\$ 53,992	\$ 50,804
	Akron Central School District	\$ 27,661	\$ 26,027
	Alden Central School District	\$ 46,924	\$ 44,154
	Amherst Central School District	\$ 97,133	\$ 91,398
	Cheektowaga Central School District	\$ 73,489	\$ 69,150
	Cheektowaga-Maryvale Union Free School District	\$ 69,067	\$ 64,989
	Cheektowaga-Sloan Union Free School District	\$ 40,227	\$ 37,852
	Clarence Central School District	\$ 135,688	\$ 127,677
	Cleveland Hill Union Free School District	\$ 43,000	\$ 40,461
	Depew Union Free School District	\$ 57,873	\$ 54,456
	East Aurora Union Free School District	\$ 54,808	\$ 51,572
	Eden Central School District	\$ 40,379	\$ 37,995
	Frontier Central School District	\$ 143,222	\$ 134,766
	Gowanda Central School District	\$ 20,258	\$ 19,062
	Grand Island School District	\$ 90,693	\$ 85,338
	Hamburg Central School District	\$ 96,860	\$ 91,141
	Holland Central School District	\$ 20,446	\$ 19,239
	Iroquois Central School District	\$ 68,420	\$ 64,380
	Kenmore/Tonawanda Union Free School District	\$ 215,671	\$ 202,938
	Evans-Brant Central School District	\$ 61,047	\$ 57,442
	Lancaster Central School District	\$ 174,524	\$ 164,219
	North Collins Central School District	\$ 19,120	\$ 17,991
	Orchard Park Central School District	\$ 153,562	\$ 144,495
	Springville-Griffith Institution	\$ 48,323	\$ 45,470
	Sweethome Central School District	\$ 111,634	\$ 105,043
	West Seneca Central School District	\$ 191,425	\$ 180,123
	Williamsville Central School District	\$ 308,417	\$ 290,208
	Yorkshire-Pioneer Central School District	\$ 6,053	\$ 5,696
	<b>City Distribution</b>		
City of	Buffalo	\$ 2,081,563	\$ 1,958,665
City of	Lackawanna	\$ 149,184	\$ 140,376
City of	Tonawanda	\$ 113,138	\$ 106,459
	<b>Town Distribution</b>		

Town of Alden	\$	25,203	\$	23,715
Town of Amherst	\$	423,269	\$	398,279
Town of Aurora	\$	29,819	\$	28,058
Town of Boston	\$	27,186	\$	25,581
Town of Brant	\$	12,534	\$	11,794
Town of Cheektowaga	\$	266,076	\$	250,366
Town of Clarence	\$	112,704	\$	106,050
Town of Colden	\$	10,675	\$	10,045
Town of Collins	\$	17,215	\$	16,199
Town of Concord	\$	17,435	\$	16,406
Town of Eden	\$	25,903	\$	24,374
Town of Elma	\$	40,091	\$	37,724
Town of Evans	\$	47,623	\$	44,811
Town of Grand Island	\$	73,160	\$	68,841
Town of Hamburg	\$	169,068	\$	159,086
Town of Holland	\$	11,223	\$	10,560
Town of Lancaster	\$	115,224	\$	108,421
Town of Marilla	\$	17,749	\$	16,701
Town of Newstead	\$	23,076	\$	21,713
Town of North Collins	\$	9,321	\$	8,771
Town of Orchard Park	\$	92,440	\$	86,983
Town of Sardinia	\$	9,290	\$	8,741
Town of Tonawanda	\$	208,421	\$	196,116
Town of Wales	\$	10,292	\$	9,685
Town of West Seneca	\$	155,631	\$	146,442

**Village Distribution**

Village of Alden	\$	7,996	\$	7,524
Village of Williamsville	\$	20,118	\$	18,930
Village of East Aurora	\$	17,873	\$	16,817
Village of Franham	\$	1,377	\$	1,296
Village of Depew	\$	47,640	\$	44,827
Village of Sloan	\$	8,502	\$	8,000
Village of Gowanda	\$	2,945	\$	2,771
Village of Springville	\$	11,010	\$	10,360
Village of Angola	\$	4,737	\$	4,458
Village of Blasdell	\$	6,036	\$	5,680
Village of Hamburg	\$	30,414	\$	28,619
Village of Lancaster	\$	24,151	\$	22,725
Village of Akron	\$	6,645	\$	6,252
Village of North Collins	\$	2,664	\$	2,507
Village of Orchard Park	\$	9,099	\$	8,562
Village of Kenmore	\$	40,028	\$	37,664