



NEW YORK STATE SENATOR

Patrick M. Gallivan

Senate Passes Bill to Make School Bus Purchases Tax Exempt

JIM RANNEY June 20, 2018

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Senator Patrick M. Gallivan (R-C-I, Elma) announces the New York State Senate has passed a bill to exempt the purchase of school buses by transportation contractors from sales and use taxes. The exemption would also apply to school bus parts, equipment, lubricants and fuel used for the exclusive purpose of transporting students to and from school or school activities.

“While school districts are currently tax exempt, private companies that contract with school districts to provide student transportation are required to pay taxes on the purchase of

school buses,” Senator Gallivan said. “Companies essentially pass these costs on to the district and ultimately taxpayers. Exempting these purchases from the sales tax will result in reduced transportation costs.”

The legislation will amend state tax law and correct a statutory deficiency by establishing parity with coach buses and transit buses, both of which currently have sales tax exemption status.

The bill has been sent to the Assembly.