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## **New Yorkers Call for an End to Fossil Fuel Subsidies**

### *160 Organizations Ask Hochul to End Tax Loopholes in an Open Letter*

**[Albany, NY]** Environmental, civic, and social justice organizations delivered a [letter](#) to Governor Hochul urging her to eliminate over \$330 million in New York State subsidies for the fossil fuel industry. Advocates representing over 150 organizations statewide delivered the letter to Governor Hochul's office, demonstrating the broad support this campaign has garnered across the state. Tax exemptions and subsidies provided to the fossil fuel industry in New York State provide unnecessary loopholes for the industry fueling the climate crisis.

New York State currently provides oil and gas industries with over \$330 million annually in nonessential subsidies in the form of tax breaks, credits, and exemptions. Groups argue that eliminating these subsidies is essential for the state's support of a climate healthy future. The Fossil Fuel Subsidy Elimination Act currently has bills in the State Senate (S.7438 - Krueger) and in the State Assembly (A.8483 - Cahill) that address this issue.

Groups that signed onto the letter include NRDC (Natural Resource Defense Council), New York Public Interest Research Group (NYPIRG), New York Youth Climate Leaders (NY2CL), and others; all of whom agree that eliminating nonessential fossil fuel subsidies aligns our state's tax code with our nation-leading Climate Leadership and Community Protection Act, putting New York on track toward a sustainable future.

Specifically, the Fossil Fuel Subsidy Elimination Act aims to:

- End \$118 million in Sales and Use Tax exemptions for airline fuels;
- Halt \$89 million in Sales and Use Tax exemptions for fossil fuels used in research and development and production of tangible personal property in the fossil fuel industry;
- Abolish \$65 million in Petroleum Business Tax exemptions for liquid petroleum gases such as butane, ethane (used in making plastics), and propane; and
- Stop \$4 million in Sales and Use Tax exemptions for operating fracked gas infrastructure.

In addition, this bill would limit tax subsidies to fossil fuel-related businesses as part of several economic development programs, specifically the Excelsior Jobs Program, START-UP NY, Investment Tax Credit, Brownfield Redevelopment Tax Credit, Rehabilitation of Historic Properties Tax Credit, qualified emerging technology tax credits, and special tax benefits for qualified New York manufacturers.

#### **Organizational Quotes:**

"It is shocking to learn that the State has been providing over \$330 million in subsidies per year to an industry that has endangered our very existence on this planet, and has knowingly and disproportionately poisoned communities of color," **said Irene Weiser, coordinator of Fossil Free Tompkins.** "This bill is a no-brainer way to start making polluters pay, and for Governor Hochul to add \$330 million in revenue to the State's budget."

"Without government subsidies and benefits, fossil fuel companies will swiftly lose ground to renewable energy, ensuring that we combat climate change at the speed needed to protect life on earth." said **Elliott Rabin Co-organizer, Bronx Jews for Climate Action**

"Investing in fossil fuels at this point in the climate crisis is simply wrong. We must transform our energy economy into one that invests in sustainable and renewable energy and away from climate destroying fossil fuels. Thank you to Senator Krueger and Assemblymember Cahill for your leadership in stopping fossil fuel subsidies in New York." **said Ruth Foster, Divest NY.**

**Guy Jacob, Conservation Co-Chair South Shore Audubon Society** said that "Tax subsidies are the guiding hands of the government molding the market, hindering or advancing innovation, shaping our future for better or for worse. Propping up the fossil fuel industry when we're spending so much effort trying to scale renewable energy is more than counterproductive- it's dysfunctional. It's time to reconcile our laws and eliminate the dissonance between the past and the promise of a clean energy future."

"We simply can't continue to cater to the industry that is leading us down the path toward the demise of human civilization," said **Eric Wood, Regional Coordinator for NYPIRG.** "Handing out hundreds of millions of dollars to what is already one of the richest industries on the planet only encourages their destructive behavior. New York state must end fossil fuel subsidies now."

"Even one dollar spent on incentivizing the fossil fuel industry is one dollar too many. New Yorkers are facing intensifying storms, heat waves, and extreme weather events, and our communities must be protected from climate devastation. But, instead, New York State spends over one billion dollars every year on tax exemptions and subsidies for fossil fuels that are exacerbating the climate crisis. These loopholes must come to an end because they allow a dangerous industry to avoid paying their fair share," said **Marisa Guerrero, Advocacy Coordinator for NRDC (Natural Resources Defense Council).**

"Ending fossil fuel subsidies in New York is critical if we are to achieve the greenhouse gas emissions reductions called for in the CLCPA. There are lots of steps we need to take to stop runaway climate change but, surely, this is one that we cannot ignore." said **Peter Bardaglio, Coordinator for Tompkins County Climate Protection Initiative**

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