

PSC NO: 2 - WATER  
COMPANY: NEW YORK AMERICAN WATER COMPANY, INC.  
INITIAL EFFECTIVE DATE: October 14, 2012  
Issued in compliance with order in Case 12-W-0217 dated 08/17/2012

LEAF: 88  
REVISION: 0  
SUPERSEDING REVISION:

Income Based Tax Surcharge  
Statement No. 1

On May 5, 2000, Governor Pataki signed into law a 2000 - 2001 budget which included changes to utility taxation.

The new tax law phases out revenue taxes and repeals the franchise and excess dividend taxes. The new law moves utilities to a new income based tax (Article 9-A of the tax laws) to put them on the same system as most corporations in New York.

Pursuant to the change to a new income based tax, each customer will be surcharged 1.446% of their bill in 2001.

Effective January 1, 2001 under Authority by Order of the PUBLIC SERVICE COMMISSION in case No. 00M-1556.

Issued by: William M. Varley, President, 733 Sunrise Hwy., Lynbrook, NY 11563