

TAX RATES ON MOTOR FUEL - 1994¹

TABLE MF-121T
SHEET 2 OF 2
OCTOBER 1995

STATE	SALES TAX	
	PERCENT	REMARKS
Alabama	4	Applies to fuel not taxable under volume tax laws.
Arizona	5	Applies to fuel not taxed under the motor-fuel or use-fuel taxes. Liquefied petroleum gas sold, used or stored in State is exempt.
Arkansas	4.5	Special fuel for municipal buses and gasoline are exempt.
California	6	Applies to sales price including Federal and State motor-fuel taxes.
Colorado	3	Applies to fuel not taxable under volume tax laws.
Dist. of Col.	5.75	Applies to fuel not taxable under volume tax laws.
Georgia	4	A 3-percent "second motor-fuel tax" and a 1-percent sales tax apply to sales price including Federal motor-fuel tax.
Hawaii	4	Applies to sales price excluding Federal and State motor-fuel taxes. Alcohol fuels are exempt.
Illinois	6.25	Applies to sales price excluding Federal and State motor-fuel taxes. For gasohol, only 70 percent of the price is subject to sales tax.
Indiana	5	Applies to sales price excluding Federal and State motor-fuel taxes.
Iowa	5	Fuel on which the volume tax was paid and not refunded is exempt. Gasohol is exempt.
Kansas	4.9	Applies to fuels not taxable under the volume tax laws.
Kentucky	6	Applies to sales price, exclusive of Federal tax, of fuels not taxable under the volume tax laws.
Louisiana	4	Fuels subject to volume tax are exempt. Gasohol is exempt if alcohol produced in State.
Maine	6	Applies to motor fuel not taxed at the maximum rate for highway use under the volume tax laws.
Massachusetts	5	Applies to fuels not taxable under the volume tax laws.
Michigan	6	Applies to sales price including Federal volume tax except when used in a passenger vehicle with capacity of 10 or more for hire over regularly scheduled routes in State.
Minnesota	6	Applies to fuels not taxable under the volume tax laws.
New Mexico	5	Applies to fuels not taxable under the volume tax laws. Ethanol blends deductible under the gasoline tax laws are exempt.
New York	4	Applies to sales price including Federal motor-fuel tax.
North Dakota	5	Applies to fuels not taxable under the volume tax laws.
Ohio	5	Applies to fuels not taxable under the volume tax laws.
Oklahoma	4.5	Applies to fuels not taxable under the volume tax laws.
Pennsylvania	6	Applies to fuels not taxable under the volume tax laws.
South Carolina	5	Applies to sales price of aviation gasoline only.
South Dakota	4	Applies to fuels not taxable under the volume tax laws.
Tennessee	4.5	Applies to sales price of aviation fuel only.
Texas	6.25	Applies to fuels not taxed or exempted under other laws.
Utah	4.875	Applies to fuels not taxable under the volume tax laws.
Virginia	2	Applies to retail sales within a county or city which is a member of any transportation district in which a heavy rail commuter mass transportation system or a bus commuter mass transportation system is owned and operated by a transportation agency
Washington	6.5	Applies to fuels not taxable under the volume tax laws. The following are exempt: certain providers of public transportation of handicapped persons and certain commercial fishing vessels.
Wisconsin	5	Applies to fuels not taxable under the volume tax laws.
Wyoming	4	Applies to sales price of LPG. Gasoline and diesel subject to volume tax are exempt.

¹ This table shows motor-fuel tax rates in effect as of January 1, and any subsequent changes that have occurred through the year. Only taxes that are levied as a dollar amount per volume of motor fuel are included on sheet 1. Taxes that apply to all petroleum products without distinguishing motor fuel are omitted. Local option taxes are included only when they have been adopted uniformly Statewide. Sales tax rates shown are those effective on December 31. For States marked with an asterisk, see the notes below:

- Alabama - The gasoline, gasohol, and diesel rates include a 2¢ per gallon inspection fee. Alabama-registered LPG vehicles pay an annual fee based on vehicle type in lieu of the volume tax.
- Arizona - There is an 8¢ per gallon surcharge on use fuel used to propel a use class motor vehicle. A use class motor vehicle is a truck with more than two axles or with a declared gross vehicle weight over 26,000 pounds.
- Arkansas - The gasoline, gasohol, and diesel rates include 0.2 ¢ per gallon Environmental Assurance Fee. Applicants for LPG user permits must pay a fee based on vehicle size and weight in lieu of the volume tax.
- California - LPG users may pay an annual fee in lieu of the volume tax.
- Colorado - Owners of LPG vehicles registered in the State must pay an annual fee in lieu of the volume tax.
- Delaware - Rates are variable, adjusted annually.
- Florida - Tax rates are variable, adjusted annually. For gasoline and gasohol, in addition to the rates shown, there is a State-imposed State Comprehensive Enhanced Transportation System (SCETS) tax that varies by county from 0-4.5¢ per gallon. All but 1 county levy the SCETS tax on gasoline, but 10 levy less than the maximum rate. LPG vehicles registered in the State pay an annual fee in lieu of the tax on alternative fuels and the SCETS tax.
- Idaho - LPG users may pay an annual fee based on vehicle weight in lieu of volume tax.
- Illinois - Motor carriers pay an additional 5.6¢ per gallon on gasoline and 6.0¢ on diesel.
- Indiana - Motor carriers pay an additional 11¢ per gallon. LPG vehicles pay an annual fee.
- Kansas - LPG users may pay an annual fee based on mileage and gross vehicle weight in lieu of the volume tax.
- Kentucky - Tax rates are variable, adjusted quarterly. A 2% surtax is imposed on gasoline and 4.7% on special fuels for any vehicle with 3 or more axles. There is an additional 2¢ per gallon surtax on vehicles with a combined license weight over 59,999 pounds. The gasoline, gasohol, and diesel rates include 0.4¢ per gallon (1.4¢ effective 7/15/94) Petroleum Environmental Assurance Fee.
- Louisiana - Owners of LPG vehicles of 10,000 pounds or less gross vehicle weight pay an annual fee based on mileage.
- Massachusetts - Tax rates are variable, adjusted quarterly.
- Michigan - Rate may be adjusted by the Commissioner of Revenue; law does not specify basis. There is a 6¢ per gallon discount if diesel is delivered into the fuel supply tank of a commercial vehicle licensed under the motor-carrier fuel tax.
- Minnesota - Effective 7/1/94, owners of LPG vehicles pay an annual fee based on weight and mileage in lieu of the volume tax. Prior to that date, only LPG vehicles registered in the State were subject to the annual fee. There is a credit to the wholesaler of 20¢ per gallon (15¢ effective 10/1/94) of alcohol used to make gasohol.
- Mississippi - The gasoline, gasohol, and diesel rates include 0.4¢ per gallon dedicated to the Groundwater Protection Trust Fund.
- Missouri - LPG vehicles 18,000 pounds or less gross vehicle weight registered in the State pay an annual fee in lieu of the volume tax.
- Montana - LPG vehicles registered in the State pay an annual fee based on gross weight in lieu of the volume tax. Out-of-State vehicles purchase trip permits. There is an alcohol distiller credit of 30¢ per gallon of alcohol produced in the State with State agricultural products and used to make gasohol.
- Nebraska - Rates are variable, adjusted quarterly. The gasoline and gasohol rates include 0.6¢ per gallon and the diesel rate includes 0.2¢ per gallon Petroleum Release Remedial Action Fee. Effective 7/1/94, LPG users must purchase alternative fuel user permits in lieu of fuel tax.
- New Hampshire - The gasoline, gasohol, and diesel rates include 0.7¢ per gallon Oil Discharge and Disposal Cleanup Fee. Alternative fuel vehicles pay twice the usual registration fee in lieu of the volume tax.
- New Jersey - In addition to the rates shown, there is a Petroleum Products Gross Receipts Tax. The tax is computed on a cents-per-gallon basis and is applicable to a wide variety of petroleum products.
- New Mexico - The gasoline, gasohol, and diesel rates include the Petroleum Products Loading Fee of \$80 per 8,000 gallons (1¢ per gallon). Owners of LPG-powered vehicles up to 26,000 pounds gross vehicle weight may pay an annual fee in lieu of the volume tax.
- New York - Rates are variable, adjusted annually. There is an additional tax on motor carriers of 7.7¢ per gallon of gasoline and 8.9¢ on diesel. Rates include the Petroleum Business Tax of 14.84¢ (14.51¢ effective 6/1/94) per gallon. The gasoline rate includes a 0.5 mill (0.05¢) per gallon Petroleum Testing Fee.
- North Carolina - Rates are variable, adjusted semiannually.
- North Dakota - A special excise tax of 2% is imposed on all sales of special fuel (diesel or LPG) that are exempted from the volume tax if the fuel is sold for use in the State. There is a producer credit of 40¢ per gallon of agriculturally derived alcohol produced in the State and used to make gasohol.
- Ohio - Commercial vehicles formerly subject to the highway use tax pay an additional 3¢ per gallon. Dealers are refunded 10¢ per gallon of each qualified fuel (ethanol or methanol) blended with unleaded gasoline.
- Oklahoma - Rates shown include 1¢ per gallon tax dedicated to the Petroleum Underground Tank Release Environmental Cleanup Indemnity Fund. When the Fund reaches specified balance, future tax revenues will be deposited in a highway fund. The gasoline, gasohol, and LPG rates include 0.08¢ for fuel inspection. LPG users may pay an annual fee in lieu of the volume tax.
- Oregon - The diesel and LPG rates shown are paid by users for vehicles not under the jurisdiction of Public Utility Commissioner. Vehicles under the jurisdiction of the Public Utilities Commissioner and paying motor-carrier fees are exempt from payment of the motor-fuel tax.
- Pennsylvania - The rates include the Oil Franchise Tax for Maintenance and Construction, a variable rate tax adjusted monthly. Motor carriers pay an additional 6¢ per gallon.
- Rhode Island - Rates are variable, adjusted quarterly. Rates effective 7/8/94 include 1¢ per gallon tax for the Underground Storage Tank Financial Responsibility Fund.
- South Dakota - There is a credit at the rate of the gasoline tax to distributors blending gasoline with ethanol to produce gasohol. There is also a producer incentive payment of 20¢ per gallon.
- Tennessee - LPG users without permits must pay in advance at the beginning of the fiscal year; others pay quarterly. Fee is based on vehicle weight and fuel efficiency.
- Texas - Owners of LPG vehicles registered in the State must pay an annual fee in lieu of the volume tax.
- Utah - LPG is tax exempt if user purchases annual exemption certificate.
- Vermont - Diesel vehicles 10,000 pounds and over pay 26¢ per gallon. LPG vehicles are subject to a registration fee 1.75 times the usual fee. The gasoline, gasohol, and diesel rates include 1¢ per gallon for the Petroleum Cleanup Fund.
- Virginia - Motor-carrier road tractors, tractor trucks and straight trucks with more than 2 axles pay an additional 3.5¢ per gallon.
- Washington - Owners of LPG vehicles pay an annual fee.
- West Virginia - Rates are variable, adjusted annually.
- Wisconsin - Rates are variable, adjusted annually.
- Wyoming - LPG is subject to sales tax. The gasoline, gasohol, and diesel rates include 1¢ for the Underground Storage Tank Corrective Action Account.