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What's New? The IRS has issued special one-time claim procedures (IRS Notice 2015-3) for three separate fuel tax credits retroactively reinstated for calendar year 2014 under the Tax Increase Prevention Act of 2014 (Act). The Act reinstated and made retroactive for calendar year 2014 the \$1.00 per gallon biodiesel blender credit (available to blenders), the \$0.50 cpg alternative fuel mixture credit (available to blenders) and the \$0.50 alternative fuel incentive credit (available for sale or use of alternative fuels). The special procedures allow for one-time credits and payments covering the entire 2014 claim period. Reinstatement of all three credits is limited to calendar year 2014 only.

2015 FEDERAL MOTOR FUEL EXCISE TAX RATES:

The following is a list of federal motor fuel excise tax rates for 2015.

Product	Rate*	Cents Per/Gal	
Gasoline	\$.184	18.4	cpg
Gasoline (removed for gasohol blending)	\$.184	18.4	cpg
Alcohol (for use in downstream gasohol blending)	\$.184	18.4	cpg
Aviation Gasoline	\$.194	19.4	cpg

Alcohol blends are always taxed at the full federal rate for gasoline.

Alcohol Blender's Credit(Expired)

Biodiesel Blender's Credit (Expired)

Diesel (clear)	\$.244	24.4	cpg
Diesel (dyed)	\$.001	1/10th	cpg
Diesel (used in trains)(dyed)**	\$.001	1/10th	cpg
Diesel (removed for blending with biodiesel)	\$.244	24.4	cpg

Diesel (used in certain intercity and local buses	\$.17	17		
Biodiesel (removed for blending with diesel)	\$.244		24.4	cpg
Kerosene (clear)	\$.244	24.	4cpg	
Kerosene (dyed)	\$.001		1/10th	cpg
Kerosene (clear - non-commercial aviation)***	\$.219		21.9	cpg
Kerosene (clear - for use in non-taxable aviation)	\$.001		1/10th	cpg
Kerosene (clear - for use in commercial aviation not foreign trade)	\$.044		4.4	cpg
Propane (liquefied propane gas)	\$.183	18.3	cpg	
Compressed Natural Gas (CNG)	\$.183	18.3	cpg	
Liquefied Natural Gas	\$.243	24.3	cpg	
“P” Series Fuels	\$.184		18.4	cpg
Liquefied Fuel (derived from biomass)	\$.244		24.4	cpg

* Rates include the \$.001 cpg federal Leaking Underground Storage Tank (LUST) tax. The LUST tax is non-refundable.

**This tax is paid by the railroads, NOT by petroleum marketers.

*** Marketers pay \$.244 cpg at the rack, user’s rate is \$.219. Ultimate vendor claim is \$.025 cpg. The ultimate vendor is the only party that can make the claim for 2.5 cpg. Ultimate vendor must have a certificate from the ultimate purchaser verifying the fuel is used for non-commercial aviation. Ultimate vendor must have an IRS 637 UA registration to file claim.

Got Questions? Contact Mark S. Morgan, PMAA Regulatory Counsel at mmorgan@pmaa.org