



1901 N. FORT MYER DRIVE • SUITE 500 • ARLINGTON, VA 22209-1604 • 703-351-8000 • FAX 703-351-9160

UPDATED TO REFLECT REINSTATEMENT OF BIODIESEL BLENDER'S CREDIT

SUBJECT: *IRS - Federal Motor Fuel Excise Tax Rates and Renewable Fuel Credits*
ISSUE: *2013 Federal Motor Fuel Excise Tax Rates and Renewable Fuel Credits*
DATE: *January 3, 2013*

PMAA CONTACT: *Mark S. Morgan, Regulatory Counsel - mmorgan@pmaa.org*

2013 FEDERAL MOTOR FUEL EXCISE TAX RATES

What's New: On January 2, 2013, Congress reinstated the one-dollar per gallon biodiesel blender's credit through December 31, 2013 and retroactive to January 1, 2012. The federal blender's credit for alcohol mixtures has not been reinstated. PMAA is working with the IRS on claim filing procedures for the retroactive biodiesel credit. PMAA will issue a Regulatory Report on the retroactive claim procedure as soon as it is released by the IRS (within the next 60 days).

The following is a list of federal motor fuel excise tax rates for 2013:

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

The volume of alcohol and biodiesel blended into gasoline or clear diesel are taxed at full federal rate.

Alcohol Blender's Credit	(Expired 12/31/11)		
Biodiesel Blender's Credit	\$1.00		
Diesel (clear)	\$.244	24.4	cpg
Diesel (dyed)	\$.001	1/10 th	cpg
Diesel (used in trains)(dyed)**	\$.001	1/10 th	cpg
Diesel (removed for blending with biodiesel)	\$.244	24.4	cpg
Biodiesel (removed for blending with diesel)	\$.244	24.4	cpg
Kerosene (clear)	\$.244	24.4	cpg
Kerosene (dyed)	\$.001	1/10 th	cpg
Kerosene (clear - non-commercial aviation)***	\$.219	21.9	cpg
Kerosene (clear - for use in non-taxable aviation)	\$.001	1/10 th	cpg
Kerosene (clear - for use in commercial aviation)	\$.044	4.4	cpg
Propane	\$.183	18.3	cpg
Compressed Natural Gas	\$.183	18.3	gge
Liquefied Natural Gas	\$.243	24.3	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.