

STATE TAX CHANGES – JULY 2014*

CALIFORNIA

Effective July 1, 2014, California's tax on diesel will be increased to \$0.11 per gallon. The tax on gasoline is reduced to \$0.36 per gallon. There are no changes to the aviation fuel tax which remains at \$0.02 per gallon or to the aviation gasoline tax which remains at \$0.18 per gallon.

CONNECTICUT

Effective July 1, 2014, Connecticut's tax on diesel will be reduced by \$0.04 per gallon to \$0.545 per gallon. The applicable reporting forms for diesel fuel will be updated to reflect this change.

GEORGIA

Per an Executive Order signed by Georgia's Governor, Nathan Deal, the scheduled July 1st increases to the prepaid sales tax rates will be suspended. The rates will remain at the current levels:

Fuel Type	3% Prepaid State Tax (Sales to State, Local and Municipal Governments)	4% Prepaid State Tax
Gasoline	\$0.0088 per gallon	\$0.118 per gallon
Diesel	\$0.104 per gallon	\$0.138 per gallon
Aviation Gasoline	\$0.162 per gallon	\$0.216 per gallon
LPG	\$0.059 per gallon	\$0.078 per gallon
Special Fuel	\$0.087 per gallon	\$0.116 per gallon

KENTUCKY

Effective July 1, 2014 the tax rate on gasoline will increase to \$0.311 per gallon and the tax rate on special fuels will increase to \$0.281 per gallon. These rates are exclusive of the \$0.014 per gallon environmental assurance fee levied with the fuel tax.

* This list contains key State updates taking effect in July 2014. This is not intended to be an exhaustive list. Please confirm all tax rates and license and reporting requirements with the particular State or your tax consultants.

MARYLAND

Maryland has announced that its fuel tax rates for the period July 1, 2014 – June 30, 2015 will be as follows:

Fuel Type	Tax Rate
Gasoline	\$0.274 per gallon
Diesel	\$0.2815 per gallon
Aviation Fuel	\$0.07 per gallon

In addition, the Oil Spill Transfer Fee will increase to \$0.08 per barrel.

NEW HAMPSHIRE

Effective July 1, 2014 New Hampshire's motor fuel tax (known as the Road Toll) will increase to \$0.222 per gallon. This will take effect automatically for E-filers. Distributors that file by paper will have new forms available to them from the New Hampshire Department of Safety website.

OHIO

Effective July 1, 2014 receipts from the sale, transfer, exchange or other disposition of motor fuel will be exempt from the Commercial Activity Tax (CAT). Instead, a Petroleum Activity Tax (PAT) will be imposed on the gross receipts from the first sale, transfer, exchange or other disposition of motor fuel to a point outside the bulk terminal system in Ohio. The tax rate will be 0.65%. There will be no annual minimum tax or any exclusion corresponding to the annual minimum tax.

The PAT is imposed on the "supplier" which is defined as a person who:

- (1) Sells, transfers, or otherwise distributes motor fuel from a terminal or refinery rack to a location in this state and that point is outside of a distribution system; or
- (2) Imports or causes the importation of motor fuel for sale, exchange, transfer, or other distribution by the person to location in this state and that point is outside of a distribution system.

Excluded from the definition of "gross receipts" are (1) sales by a supplier to a point outside Ohio; (2) federal excise taxes; (3) bad debts; and (4) accounts receivable.

Detailed information on the PAT can be found at:

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http://www.tax.ohio.gov/Portals/0/commercial_activities/information_releases/CAT%202013-04%20rev%2010-25.pdf

Also effective July 1, 2014, the Ohio Department of Taxation intends to require all motor fuel taxpayers and file and pay taxes electronically:

http://www.tax.ohio.gov/excise/information_releases/xt_2013_01/xt_2013_03.aspx

VIRGINIA

Virginia has announced that its tax rates will be unchanged for the period July 1, 2014 – December 31, 2014 and will be as follows:

Fuel Type	Tax Rate
Gasoline	\$0.111 per gallon
Diesel	\$0.202 per gallon
Blended Fuels (Gasoline)	\$0.111 per gallon
Blended Fuels (Diesel)	\$0.202 per gallon
Aviation Fuel	\$0.05 per gallon (reduced to \$0.005 per gallon after the first 100,000 gallons)
Alternative Fuel	\$0.111 gasoline gallon equivalent

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