

TAX CHANGES FOR 2018*

FEDERAL

Unless Congress acts prior to December 31, 2017, the \$0.09 per barrel oil spill tax will expire effective January 1, 2018. There is legislation proposed that would extend it through December 31, 2018.

FLORIDA

Effective January 1, 2018, the Florida statewide tax rates on motor fuel (gasoline) will increase to \$0.177 per gallon and the statewide tax rates on undyed diesel will increase to \$0.178 per gallon. The state tax rate on aviation fuel will remain at \$0.069 per gallon. In addition, the minimum local option fuel tax on each gallon of motor fuel sold to licensed wholesalers is increased to \$0.136 per gallon, while the \$0.00125 per-gallon inspection fee is unchanged. The total statewide fuel tax for 2017 (exclusive of local option taxes above the minimum) will be \$0.31425 per gallon for gasoline and \$ 0.323 per gallon for diesel.

With respect to county motor fuel tax rates, the gasoline rate differs by county and can be found on the attached chart. Terminal suppliers must collect a minimum local option fuel tax in the amount of \$0.136 per gallon and an inspection fee of \$0.00125 per gallon on each gallon of motor fuel sold to licensed wholesalers. Wholesalers must remit to the Florida Department of Revenue the county tax rate above the minimum \$0.134 per gallon local option fuel tax on motor fuel sold to retail dealers or end-users.

The pollutants tax is unchanged at \$0.89 per barrel.

Full details of the rate changes can be found at: http://floridarevenue.com/taxes/Documents/17B05-03_chart.pdf

GEORGIA

Georgia's fuel tax rates effective January 2018 are as follows:

https://dor.georgia.gov/sites/dor.georgia.gov/files/related_files/document/LATP/Policy%20Bulletin/Bulletin%20-%20State%20Excise%20Tax%20Rate%20-%20Effective%20January%202018%2012.06.17.pdf

Fuel Type	Tax Rate
-----------	----------

*This list contains key State updates taking effect in 2018. 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.

Gasoline	\$0.268 per gallon
Diesel	\$0.300 per gallon
Aviation Gasoline	\$0.010 per gallon
LPG	\$0.268 per gallon
Special Fuel	\$0.268 per gallon

The prepaid local tax average retail sales prices to be collected by motor fuel distributors selling motor fuel to unlicensed entities has been set at the following rates for the period January 1, 2018 – June 30, 2018

https://dor.georgia.gov/sites/dor.georgia.gov/files/related_files/document/LATP/Policy%20Bulletin/Bulletin%20-%20Prepaid%20Local%20Tax%20-%20January%202018%20FINAL.pdf

Fuel Type	Average Retail Sales Price
Gasoline	\$2.115 per gallon
Diesel	\$2.401 per gallon
Aviation Gasoline	\$3.000 per gallon
LPG	\$1.954 per gallon
Special and Compressed Petroleum Gas	\$2.037 per gallon

ILLINOIS

Illinois has set its prepaid sales tax on motor fuel at \$0.14 per gallon for gasoline, gasohol and other motor fuels such as diesel and at \$0.11 per gallon for biodiesel blends between 1% and 10%. These rates are for the period January 1, 2018 – June 30, 2018.

INDIANA

The gasoline use tax for the period January 1, 2018 – January 31, 2018 has been set at \$0.136 per gallon. The rate changes monthly.

MASSACHUSETTS

Massachusetts has set its tax rates for the period January 1, 2018 – March 31, 2018 as follows:

Fuel Type	Tax Rate
Gasoline	\$0.24 per gallon
Diesel	\$0.24 per gallon
Aviation Gasoline	\$0.272 per gallon
LPG and Propane	\$0.140 per gallon
Jet Fuel	\$0.084 per gallon

*This list contains key State updates taking effect in 2018. 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.

Effective January 1, 2017 the UST Delivery Fee will increase from \$255.10 per Delivery Load of 10,000 gallons to \$257.15 per Delivery Load (\$0.025715 per gallon). The fee is collected on Delivery Loads sold by licensed Distributors, Unclassified Importers and Special Fuel Suppliers to any unlicensed entity. The fee is collected monthly.

MICHIGAN

For January 2018, the prepaid sales tax on gasoline will be \$0.135 per gallon and on diesel will be \$0.151 per gallon. These rates are updated monthly.

MINNESOTA

The \$0.02 per gallon Minnesota Petroleum Tank Fee will be collected for the months of February, March, April and May 2018.

NEBRASKA

Nebraska has set its fuel tax rates for the period January 1, 2018 – June 30, 2018 at \$0.284 per gallon for gasoline, diesel, gasohol, ethanol and compressed fuels; \$0.05 per gallon for aviation gasoline and \$0.03 per gallon for jet fuel.

Nebraska's Petroleum Release Remedial Action Fee is set at \$0.009 per gallon for gasoline, aviation gasoline, gasohol and ethanol and at \$0.003 per gallon for diesel, jet fuel and other petroleum products. Compressed fuels are not subject to this fee.

NEW JERSEY

New Jersey's petroleum products gross receipts tax rates for the period January 1, 2018 – March 31, 2018 have been set at \$0.266 per gallon for gasoline and LPG, \$0.307 per gallon for diesel, \$0.124 per gallon for fuel oil and \$0.04 per gallon for aviation fuel. Full details can be found at http://www.state.nj.us/treasury/taxation/pdf/other_forms/petroleum/Petroleumgrosstax.pdf

NEW YORK

New York has published its petroleum business tax rates for 2018. Beginning January 1, tax rates will increase to \$0.169 per gallon for gasoline and to \$0.1515 per gallon for diesel. The tax rate for jet fuel is also increasing to \$0.068 per gallon. The full schedule of tax rates are in Publication 908 which can be found at: https://www.tax.ny.gov/pdf/publications/multi/pub908_118.pdf

The tax rates for 2018 for commercial vessels can be found at: https://www.tax.ny.gov/pdf/publications/multi/pub908cv_118.pdf

Note that as of December 1, 2017, registered distributors of motor fuel selling aviation gasoline for use in commercial and general aviation are not required to pass through the prepaid sales tax on motor fuel if a Form FT-1013 Exemption Certificate for Retail Sellers of Aviation Gasoline is received from the customer.

*This list contains key State updates taking effect in 2018. 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.

In addition, retail sales of aviation gasoline or kero-jet fuel for use in commercial and general aviation are not longer subject to local sales and use taxes (the state and Metropolitan Commuter Transportation District taxes are still imposed).

NORTH CAROLINA

Effective January 1, 2018 North Carolina’s motor fuel tax will increase from \$0.343 per gallon to \$0.351 per gallon.

OHIO

The Ohio Department of Taxation has issued the average wholesale price of fuel to be used when determining the gross receipts of a supplier subject to the petroleum activity tax (“PAT”) for the period January 1, 2018 – March 1, 2018. The average wholesale prices are \$1.582 per gallon for gasoline, \$1.693 per gallon for diesel and \$0.747 per gallon for propane. With the PAT rate set at \$0.0065, this makes the PAT for the first quarter of 2017 \$0.010283 per gallon for gasoline, \$0.0110045 per gallon for diesel and \$0.0048555 per gallon for propane.

PENNSYLVANIA

Beginning January 1, 2018, the Oil Company Franchise Tax Rate for gasoline will be \$0.576 per gallon and the tax rate for diesel will be \$0.741 per gallon.

The tax rates for aviation gasoline and jet fuel will be increased to \$0.057 per gallon for aviation gasoline and \$0.018 per gallon for jet fuel.

Tax rates for 2017 for alternative fuels are as follows:

Fuel Type	Tax Rate
Ethanol	\$0.384 per gallon
Methanol	\$0.289 per gallon
Liquefied Petroleum Gas (Propane)	\$0.425 per gallon
E85	\$0.413 per gallon
M85	\$0.332 per gallon
Liquefied Natural Gas (LNG)	\$0.648 per diesel gallon equivalent
Compressed Natural Gas (CNG)	\$0.576 per gasoline gallon equivalent
Hydrogen	\$0.576 per gasoline gallon equivalent

TEXAS

Effective January 1, 2018, there are several changes to the imposition of motor fuel tax in Texas with respect to sales and removals of gasoline and diesel at the terminal rack destined for export from the State:

*This list contains key State updates taking effect in 2018. 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.

1. Sales of gasoline and diesel in Texas for export out of Texas will be subject to Texas motor fuel tax if the purchaser is not a licensed supplier, distributor or exporter. The tax is paid by the supplier and the purchaser can claim a credit on proof of export.
2. Any gasoline or diesel that is sold for export to a licensed entity but is resold and delivered to a location in Texas is subject to tax. The tax is paid by the person redirecting the delivery to a point in the State.
3. A licensed supplier or exporter may export gasoline or diesel tax free if the following conditions are met: the bill of lading must list the out of state destination and the destination state taxes must have been paid. The destination state must recognize the supplier or export as eligible to remit taxes in that state.

VERMONT

Vermont's motor fuel transportation infrastructure assessment (MFTIA) rates for January 1 – March 31, 2018 have been increased to \$0.0422 per gallon. The motor fuel tax assessment (MFTA) is set at \$0.134, the same as the previous quarter.

VIRGINIA

Virginia's motor fuel tax rates for the period January 1, 2018 – June 30, 2018 will be unchanged from the previous six month period:

Fuel Type	Tax Rate
Gasoline	\$0.162 per gallon
Diesel	\$0.202 per gallon
Blended Fuels (Gasoline)	\$0.162 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	\$0.162 per GGE (Gasoline Gallon Equivalent)

WEST VIRGINIA

Effective January 1, 2018 West Virginia's combined fuel tax rates (flat rate plus variable rate) are as follows:

Fuel Type	Tax Rate
Gasoline (including ethanol and blends)	\$0.3570 per gallon
Diesel (including biodiesel)	\$0.3570 per gallon
Compressed Natural Gas (CNG)	\$0.2370 per gallon
Liquefied Natural Gas (LNG)	\$0.1520 per gallon
Liquefied Petroleum Gas (LPG)	\$0.2000 per gallon

*This list contains key State updates taking effect in 2018. 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.

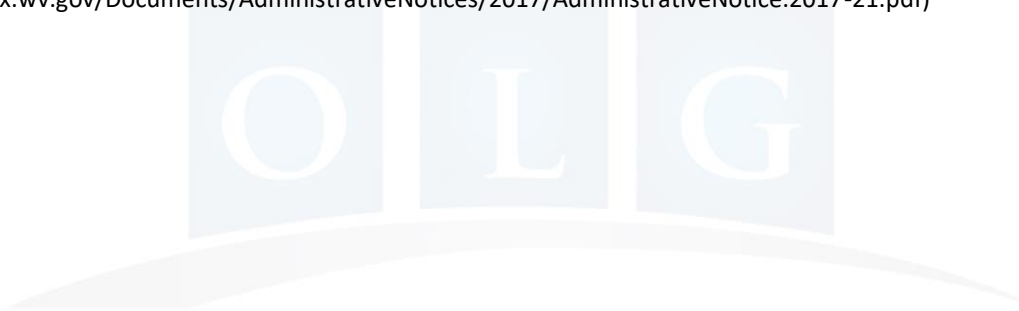
Field Gas	Exempt
-----------	--------

Dyed diesel, aviation gasoline, aviation jet fuel, #1 fuel oil, heating oil, dyed biodiesel and dyed kerosene are only subject to the variable rate which is \$0.1520 for 2018.

Effective January 1, 2018 the gasoline gallon equivalent rates for the variable rate component of the fuel tax on alternative fuels is as follows (these gasoline gallon equivalents are multiplied by the wholesale variable component rate – 5% of the average wholesale price of each fuel - and combined with the flat \$0.205 per gallon rate to get the total tax) – with the exception of Field Gas, these are unchanged from 2017:

Fuel Type	Gasoline Gallon Equivalent
Compressed Natural Gas (CNG)	126.67 cubic feet / 5.66 pounds
Liquefied Natural Gas (LNG)	1.554 gallons
Liquefied Petroleum Gas (LPG)	1.367 gallons
Field Gas	Exempt

Detailed information can be found in Administrative Notice 2016-21
<https://tax.wv.gov/Documents/AdministrativeNotices/2017/AdministrativeNotice.2017-21.pdf>



*This list contains key State updates taking effect in 2018. 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.