

STATE AND PROVINCIAL TAX CHANGES FOR 2015*

CALIFORNIA

Effective January 1, 2015 CNG will be taxed for motor fuel tax purposes in gasoline gallon equivalent units and LNG will be taxed for motor fuel tax purposes in diesel gallon equivalent units. There is no change to the current rates but rather than \$0.07 per 100 cubic feet for CNG and \$0.06 per gallon for LNG the rates will be converted to \$0.0887 per gasoline gallon equivalent for CNG and \$0.1017 per diesel gallon equivalent for LNG.

FLORIDA

Effective January 1, 2015, the Florida statewide tax rates on motor fuel (gasoline) and diesel fuel are increased from \$0.171 per gallon to \$0.173 per gallon. The state tax rate on aviation fuel remains at \$0.069 per gallon. The minimum local option fuel tax on each gallon of motor fuel sold to licensed wholesalers is increased from \$0.110 per gallon to \$0.111 per gallon while the \$0.00125 per-gallon inspection fee is unchanged. The total statewide fuel tax for 2015 (exclusive of local option taxes above the minimum) will be \$0.28525 per gallon for gasoline and \$ 0.316 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 at the link below. The county tax rate for diesel is uniform and is increased from \$0.142 per gallon to \$0.143 per gallon. Wholesalers must remit to the Florida Department of Revenue the county tax rate above the minimum \$0.111 per gallon local option fuel tax on motor fuel sold to retail dealers or end-users.

The pollutants tax remains the same at \$0.87 per barrel.

Full details of the rate changes can be found at: http://dor.myflorida.com/dor/tips/pdf/14b05-01_chart.pdf

GEORGIA

The prepaid state tax 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, 2015 – June 30, 2015

*This list contains key State updates taking effect in 2015. 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.

(http://dor.georgia.gov/sites/dor.georgia.gov/files/related_files/document/Prepaid%20State%20Tax%20Rates%20Effective%20January%201%2C%202015.pdf)

Fuel Type	3% Prepaid State Tax (Sales to State, Local and Municipal Governments)	4% Prepaid State Tax
Gasoline	\$0.088 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

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, 2015 – June 30, 2015

(http://dor.georgia.gov/sites/dor.georgia.gov/files/related_files/document/Prepaid%20Local%20Tax%20on%20Motor%20Fuel%20Sales%20Effective%20January%201%2C%202015.pdf)

Fuel Type	Average Retail Sales Price
Gasoline	\$2.599 per gallon
Diesel	\$3.163 per gallon
Aviation Gasoline	\$5.338 per gallon
LPG	\$1.954 per gallon
Special Fuel	\$2.545 per gallon

KENTUCKY

For the quarter January 1, 2015 – March 31, 2015, the combined tax rate for the Kentucky variable motor fuels normal tax and "Supplemental Highway User Motor Fuel" tax will be \$0.262 cents per gallon for gasoline and \$0.232 cents per gallon for special fuels.

The Petroleum Storage Tank Environmental Assurance Fee for the same quarter is \$0.014 cents per gallon.

MASSACHUSETTS

Massachusetts has set its tax rates for the period January 1, 2015 – March 31, 2015 as follows:

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Fuel Type	Tax Rate
Gasoline	\$0.24 per gallon
Diesel	\$0.24 per gallon
Aviation Gasoline	\$0.34 per gallon
LPG and Propane	\$0.181 per gallon
Jet Fuel	\$0.151 per gallon

NEW HAMPSHIRE

Effective January 1, 2015 New Hampshire will impose its \$0.222 per gallon motor fuel tax on alternative fuels (*e.g.* CNG, LNG and propane) used in motor vehicles. Alternative fuel dealers, defined as any person who sells, produces, or refines alternative fuel for use in a motor vehicle and who has an alternative fuel dispenser at the person's facility must be licensed to collect and remit the tax. Persons who sell, produce, or refine alternative fuel specifically for non-highway purposes are not required to be licensed.

NORTH CAROLINA

North Carolina has announced its motor fuel tax rates for the period January 1, 2015 – June 30, 2015. Effective January 1, 2015 the tax rate on gasoline, diesel and alternative fuels will be increased to \$0.375 per gallon. The inspection fee remains at \$0.0025 per gallon. The announcement from the Department of Revenue is found at: http://www.dor.state.nc.us/taxes/motor/impnotice_121514.pdf

NEW YORK

New York has published its petroleum business tax rates for 2015. Beginning January 1, tax rates will decrease to \$0.178 per gallon for gasoline and to \$0.1605 per gallon for diesel. The tax rate for jet fuel is also decreasing to \$0.071 per gallon. The full schedule of tax rates are in Publication 908 which can be found at: <http://www.tax.ny.gov/pdf/publications/multi/pub908.pdf>

The tax rates for 2015 for commercial vessels can be found at:
<http://www.tax.ny.gov/pdf/publications/multi/pub908cv.pdf>

OREGON

Effective January 1, 2015 taxpayers with natural gas or propane powered vehicles may pay a flat fee rather than a per gallon tax. Taxpayers opting for the flat fee will have to display a decal. Additionally, all resellers of propane will be required to become licensed as fuel sellers.

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PENNSYLVANIA

Beginning January 1, 2015 the Oil Company Franchise Tax Rate for gasoline will be \$0.505 per gallon (rounded up from \$0.504225) and the tax rate for diesel will be \$0.642 per gallon (rounded up from \$0.641175). There are no changes to the tax rate for jet fuel which remains at \$0.02 per gallon.

VIRGINIA

Virginia's motor fuel tax rates for the period January 1, 2015 – June 30, 2015 will be:

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)

ONTARIO

As announced in the 2014 Ontario Budget, the Ontario tax rate on aviation fuel is increasing by one cent per litre each year for four years, beginning in 2014. The one cent per litre rate increase for 2014 is effective September 1, 2014. Subsequent rate increases of one cent per litre in 2015, 2016 and 2017 will be effective on April 1 of each respective year. The tax rates on gasoline, propane and aviation fuel are:

Fuel Type	Tax Rate
Unleaded Gasoline	14.7¢ per litre
Leaded Gasoline	17.7¢ per litre
Diesel Fuel	14.3¢ per litre
Locomotive Diesel Fuel	4.5¢ per litre
LPG and Propane	4.3¢ per litre
Aviation Fuel	(See table on following page)

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Aviation Fuel Tax Rate - Scheduled Changes:

Current	2.7¢ per litre
Beginning September 1, 2014	3.7¢ per litre
Beginning April 1, 2015	4.7¢ per litre
Beginning April 1, 2016	5.7¢ per litre
Beginning April 1, 2017	6.7¢ per litre

BRITISH COLUMBIA

On December 18, 2014, [Bulletin MFT-CT 005](#), the *Tax Rates on Fuels*, was updated to include information on how motor fuel and carbon tax apply to ethanol and biodiesel fuels. As outlined in the bulletin, Motor fuel tax and carbon tax apply to ethanol at the same rate as gasoline, and to biodiesel at the same rate as diesel.

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