



**PMAA Regulatory Report Number RR-1**

**SUBJECT:** Motor Fuel Excise Taxes  
**ISSUE:** 2009 Federal Motor Fuel Excise Tax Rates  
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**EXECUTIVE SUMMARY** - This updated list of federal tax rates is effective January 1, 2009. Petroleum marketers who collect and remit federal motor fuel excise taxes must use these rates where applicable.

**2009 FEDERAL MOTOR FUEL EXCISE TAX RATES**

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

Ethanol blends are taxed at the full federal rate for gasoline. A tax credit of 45 cpg is available on the amount of alcohol used in the blend.

**Ethanol Blend**

10% gasohol	\$.045	4.5 cpg
8.2% gasohol	\$.03465	3.465 cpg
7.7% gasohol	\$.03465	3.465 cpg
5.7% gasohol	\$.02565	2.565 cpg
Diesel (clear)	\$.244	24.4 cpg
Diesel (dyed)	\$.001	1/10 <sup>th</sup> cpg
Diesel (used in trains)(dyed)**	\$.001	1/10 <sup>th</sup> cpg
Diesel (removed for blending with biodiesel)	\$.244	24.4 cpg
Biodiesel (removed for blending with diesel)	\$.244	24.4 cpg

Biodiesel blends are taxed at the full federal rate for diesel fuel. A credit of \$1.00 per gallon is available for the volume of biodiesel added to diesel fuel.

Kerosene (clear)	\$.244	24.4 cpg
Kerosene (dyed)	\$.001	1/10 <sup>th</sup> cpg
Kerosene (clear - non-commercial aviation)***	\$.219	21.9 cpg
Kerosene (clear - for use in non-taxable aviation)	\$.001	1/10 <sup>th</sup> cpg
Kerosene (clear - for use in commercial aviation)	\$.044	4.4 cpg
Propane	\$.183	18.4 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.**