



EMA COMPLIANCE BULLETIN

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2023 FEDERAL MOTOR FUEL EXCISE TAX RATES AND CREDITS

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WHAT'S NEW

Superfund Tax: The Superfund tax is reinstated beginning 1/01/23. The Superfund tax is \$0.164 per barrel of crude. The tax is paid by refiners and crude oil importers. No party below the terminal rack is liable for the tax. Refiners and importers pass the tax down as a cost folded into the wholesale rack price of petroleum products.

Retroactive Claims for Sale or Use of Alternative Fuels in 2022: One-time retroactive claims for the sale or use of alternative fuels during the first three quarters of 2022 must be filed no later than April 11, 2023. The credit is 50 cents per gallon and claims are filed on IRS Form 8849 and 8849 Schedule 3. See [IRS Notice 2022-39 for claim procedures](#).

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Rates below *include* the 1/10th cpg non-refundable LUST tax imposed on both dyed and clear liquid fuel. There is no refund of the LUST tax. Tax exempt parties are required to pay the .001 cpg.

Product	Rate	Cents Per/Gal
Gasoline	\$.184	18.4 cpg
Gasoline (removed for alcohol blending)	\$.184	18.4 cpg
Alcohol (for use in downstream gasoline blending)	\$.184	18.4 cpg
Aviation Gasoline	\$.194	19.4 cpg
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Biodiesel Blender's Credit	\$1.00	100.0 cpg
Alternative Fuel Credit	\$0.50	50 cpg
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Heating Oil	\$.001	1/10 th cpg
Diesel (clear)	\$.244	24.4 cpg
Diesel (dyed)	\$.001	1/10 th cpg
Diesel (dyed used in trains)*	\$.001	1/10 th cpg
Diesel (removed for blending with biodiesel)	\$.244	24.4 cpg
Diesel (used in certain intercity and local buses)	\$0.17	17.0 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 not foreign trade)	\$.044	4.4	cpg

Alternative Fuels - On Highway Use in a Motor Vehicle

Propane (liquefied propane gas) (gasoline gallon equivalent)***	\$.183	18.3	cpg
Compressed Natural Gas (CNG) (gasoline gallon equivalent)***	\$.183	18.3	cpg
Liquefied Natural Gas (diesel fuel gallon equivalent)***	\$.243	24.3	cpg
"P" Series Fuels	\$.184	18.4	cpg
Liquefied Fuel (derived from biomass)	\$.244	24.4	cpg

Notes

*This tax is paid by the railroads, NOT by the ultimate vendor.

** Marketers pay \$.244 cpg at the rack, user's rate is \$.219. Ultimate vendor claim is 2.5 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.

***For taxation purposes, one gasoline gallon equivalent (GGE) is equal to 5.75 pounds (lbs.) of propane and 5.66 lbs. of CNG. One diesel gallon equivalence (DGE) is equal to 6.06 lbs. of LNG. (Reference 26 U.S. Code 4041 and 4081).