

NOTES TO STATE MOTOR FUEL EXCISE AND OTHER TAX RATES

Rates effective 7/1/08

Increases in excise tax since January 2008: Connecticut (diesel only), Iowa, Kentucky, Maine, Minnesota, Nebraska and Washington. Increases in rates reflected in chart due to sales tax increases or increase in the price of fuel: Alabama, California, Connecticut, Georgia, Hawaii (diesel only), Illinois, Indiana, Michigan, Nevada, New York, and West Virginia. Fuel prices from AAA report dated 6/19/2008.

State	Gasoline State Excise	Gasoline Other Taxes	Gasoline Total State* Taxes	Gasoline Total State* and Federal Taxes	Diesel State Excise Taxes	Diesel Other Taxes	Diesel Total State* Taxes	Diesel Total State* and Federal Taxes	Notes
Alabama	16.0	5.2	21.2	39.6	19.0	3.2	22.2	46.6	"Other Taxes" column for gasoline includes a 2-cpg inspection fee. An additional 1 cpg UST/AST Trust Fund Environmental Transport Fee is levied at the wholesale level to cover remediation costs. Cities and counties can levy additional tax—rates range from .5 cpg to 6 cpg. As of 06/08, the volume-weighted average of the additional city and county taxes was 2.2 cpg. Note that this is the first update to include an average for city taxes in Alabama, which results in a 1 cpg increase in the "Other Taxes" column over the January update.
Alaska	8.0		8.0	26.4	8.0		8.0	32.4	There is a .06 per gallon tax credit for gasohol used during a mandated control period in a CO non-attainment area. However, there are currently no areas in non-attainment. The motor fuel tax rate for marine use is 5 cents/gallon; aviation gas is 4.7 cents/gallon; and jet fuel is 3.2 cpg.
Arizona	18.0	1.0	19.0	37.4	18.0	10.0	28.0	52.4	"Other Taxes" columns include a 1 cpg UST tax. Use class vehicles pay an additional 9 cpg on diesel (with an exemption for vehicles under 26,000 gw).
Arkansas	21.5	0.3	21.8	40.2	22.5	0.3	22.8	47.2	Plus .3-cpg environmental assurance fee assessed at the wholesale level for underground storage tank fund.
California	18.0	38.5	56.5	74.9	18.0	41.9	59.9	84.3	"Other Taxes" columns include a 6% state sales tax and 1.25% county, plus additional local sales taxes and 1.2 cpg state UST fee.
Colorado	22.0		22.0	40.4	20.5		20.5	44.9	--
Connecticut**	25.0	27.4	52.4	70.8	43.4		43.4	67.8	"Other Taxes" column for gasoline includes gross receipts earnings tax collected at wholesale. Pursuant to SB 1000 passed in 6/08, petroleum products gross earnings tax will remain at 7% on 7/1/08 until 7/1/13, after which it will increase to 8.1%. Also effective 7/1/08, motor fuel tax rate on diesel increased 6.4 cpg -- from 37 cpg to 43.4 cpg.



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Delaware	23.0		23.0	41.4	22.0		22.0	46.4	An additional .9% gross receipts tax for the state hazardous substance cleanup fund is also assessed at the wholesale level after yearly exclusions are met. (Title 7: 9114)
D.C.	20.0		20.0	38.4	20.0		20.0	44.4	--
Florida**	4.0	29.2	33.2	51.6	4.0	25.0	29.0	53.4	Gasoline sales tax (11.6 cpg) increased 0.3 cpg based on CPI on 1/1/2008. Combined with excise (4 cpg) and other state taxes/fees of 2.2 cpg for environmental inspection purposes (5 cents per barrel tax for the Water Quality Assurance Trust Fund, 80 cents per barrel for the Inland Protection Trust Fund, 2 cents per barrel for the Coastal Protection Trust Fund, and 1/8 cpg for weights and measures inspection fee), the state gasoline taxes totaled 17.8 cpg. Local taxes, including State Comprehensive Enhanced Transportation System Tax (SCETS), which increased 0.2 cpg to 6.4 cpg (Franklin County is 5.3 cpg) based on CPI, range from minimum 10.3 to maximum 18.4 cpg. Local, state and federal gasoline taxes vary from 46.5 to 54.6 cpg. For diesel, sales tax (11.6 cpg), SCETS (6.4 cpg), and various local option taxes (7 cpg) comprise the 25.0 cpg. Based on CPI, the diesel sales tax increased 0.3 cpg and SCETS 0.2 cpg for a total of 0.5 cpg over 2007.
Georgia	7.5	20.5	28.0	46.4	7.5	23.6	31.1	55.5	"Other Taxes" columns include 4% sales tax and local option sales taxes which range from 1% to 3% (the volume-weighted average is 2.74%). Starting in January 2008, both statewide and local prepaid sales taxes are based on averages published by the state every six months. Governor issued Executive Order on 6/2/08 suspending 2.9 cpg prepaid state sales tax increase that was scheduled to take effect 7/1/08. The Executive Order does not eliminate the prepaid sales tax but only the scheduled increase. The suspension does not apply to any local sales and use taxes. Accordingly, this chart reflects a prepaid 4% state sales tax rate of 11.0 cpg on gasoline and 12.3 cpg on diesel. The local option sales tax as of 7/1/08 is based on the state-published average retail sales price of \$3.482 per gallon for gasoline and \$4.136 per gallon for diesel. The 2.74% volume-weighted average is included in chart as 9.54 cpg for gasoline and 11.33 cpg for diesel.
Hawaii	16.0	16.6	32.6	51.0	16.0	35.9	51.9	76.3	"Other Taxes" columns include 4% sales (also called a general excise tax or "GET") and additional county taxes and 0.1-cpg environmental response tax. Ethanol-blended gasoline tax exemption from the state's 4% GET on retail sales expired 01/01/07 but reinstated 07/01/07 through 06/30/09. Over 99% of gasoline retail sales in Hawaii contain 10% ethanol and are exempt from GET and this exemption is reflected in chart. City and county taxes are, for example, an additional 17.5 cpg in the City of Honolulu.



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Idaho	25.0		25.0	43.4	25.0		25.0	49.4	--
Illinois	19.0	29.2	48.2	66.6	21.5	33.3	54.8	79.2	"Other Taxes" columns include 6.25% sales tax and \$0.003 per gallon tax for underground storage tank fund, and other local sales and gasoline taxes. The 6.25% state sales tax adds 23.9 cpg on gasoline and 27.5 cpg on diesel. Several counties with sales tax up to 8% add 3.4 and 3.9 cpg to statewide average. In addition, a 4 cpg county motor fuel tax imposed in select counties adds .5 cpg to the "Other Taxes" column when adjusted statewide.
Indiana	18.0	20.5	38.5	56.9	16.0	37.0	53.0	77.4	"Other Taxes" columns include 7% sales tax (increased from 6% on 4/1/08) and \$0.01 per gallon inspection fee. For diesel, there is an 11-cpg surcharge paid on a quarterly self-reporting basis.
Iowa	21	1.0	22	40.4	22.5	1.0	23.5	47.9	"Other Taxes" columns include 1 cpg UST fee. Iowa tax on gasoline is based on percentage of ethanol sales compared to total motor fuel [gasoline] sold. Tax on regular gasoline increased from 20.7 cpg to 21 cpg effective 7/1/08 through 6/30/09. Rate is based on the percentage of ethanol blended fuel sold during the previous calendar year. In 2007, 73.78% of the gasoline sold in Iowa was ethanol-blended.
Kansas	24.0	1.0	25.0	43.4	26.0	1.0	27.0	51.4	"Other Taxes" columns include 1 cpg environmental fee.
Kentucky**	21.1	1.4	22.5	40.9	18.1	1.4	19.5	43.9	Ten cents of the excise tax is indexed to the Average Wholesale Price not to exceed 10% of the tax in any year. Excise tax includes 5 cpg supplemental highway user tax. "Other Taxes" columns include 1.4 cpg fee collected for the underground storage tank fund. Supplemental highway user tax is 2 cpg for special fuels. Commercial carriers pay surtax via a quarterly report of 3.6 cpg on gasoline and 8.4 cpg on special fuels.
Louisiana	20.0		20.0	38.4	20.0		20.0	44.4	--
Maine	28.4	1.5	29.9	48.3	29.6	0.7	30.3	54.7	"Other Taxes" columns include for gasoline: .07 cpg for Coastal and Inland Water fund, 1.38 cpg for Groundwater Fund and 40 cpg/10,000 gallons for Petroleum Market Share Act. "Other Taxes" columns include for diesel: .07 cpg for Coastal and Inland Water Fund and .6 cpg for Groundwater Fund. Governor signed legislation in 2002 to index gasoline tax beginning 7/03. Based on indexing, gasoline and diesel taxes increased .8 cpg effective 07/01/08. For biofuels, also effective 7/1/08, B100 rate is 27.2 cpg, B20 rate is 29.1 cpg, E10 rate is 27.4 cpg and E85 rate is 20.2 cpg.
Maryland	23.5		23.5	41.9	24.3		24.3	48.7	--



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Massachusetts	21.0	2.5	23.5	41.9	21.0	2.5	23.5	47.9	"Other Taxes" columns include 2.5 cpg UST fund tax. (UST tax increased from .5 cpg on 4/1/03).
Michigan	19.0	23.3	42.3	60.7	15.0	28.8	43.8	68.2	"Other Taxes" columns include 6% sales tax and 0.875 cpg for environmental regulation fee for refined petroleum fund.
Minnesota	22.0	2.0	24.0	42.4	22.0	2.0	24.0	48.4	"Other Taxes" columns sometimes includes periodic 2 cpg UST cleanup fee at wholesale level which fluctuates depending on the fund balance. UST (Petro-fund) fee is in effect 11/01/07 to 02/29/08. Excise tax rate on gasoline and diesel increased from 20 cpg to 22 cpg on 4/1/08 per 2008 legislation. Per this legislation, future scheduled increases are as follows: 3 cpg on 10/1/08; 1.6 cpg on 7/1/09; .4 cpg on 7/1/10; .5 cpg on 7/1/11; and .5 cpg on 7/1/12. Effective 8/1/08, there is also a surcharge, per the Transportation Finance bill, of .5 cpg assessed on all motor fuels (not yet reflected in this chart). A proportional surcharge will also be assessed on alternative fuels annually.
Mississippi	18.0	0.8	18.8	37.2	18.0	0.8	18.8	43.2	"Other Taxes" columns include 0.4 cpg Environmental Protection Fee. In Hancock, Harrison and Jackson counties there is an additional 3 cpg Seawall tax.
Missouri	17.0	0.6	17.6	36.0	17.0	0.6	17.6	42.0	Governor signed legislation in 2002 that included removal of the 2008 expiration date of the 6 cpg temporary tax increase adopted by voters in 1992. Does not include additional .05 cpg agriculture inspection fee and .5 cpg transportation load fee.
Montana	27.0	0.8	27.8	46.2	27.8	0.8	28.6	53.0	"Other Taxes" columns include 0.75-cpg fee assessed at the pump to go toward the state cleanup fund.
Nebraska**	26.0	0.9	26.9	45.3	26.0	0.3	26.3	50.7	Variable -- 12.5-cent base plus 13.5 cpg variable rate. "Other Taxes" columns include 0.9-cpg release prevention fee for gasoline and 0.3-cpg release prevention fee for diesel and other fuels. Variable rate increased 3 cpg on 07/01/08.
Nevada	23.0	9.6	32.6	51.0	27.0	1.6	28.6	53.0	"Other Taxes" columns include up to 10-cpg county tax on gasoline, 0.75-cpg-cleanup fee, and .055 cpg inspection fee.
New Hampshire	18.0	1.6	19.6	38.0	18.0	1.6	19.6	44.0	"Other Taxes" columns include 0.125 cpg for oil pollution control fund, and 1.5 cpg for UST cleanup fund.



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New Jersey	10.5	4.0	14.5	32.9	13.5	4.0	17.5	41.9	“Other Taxes” columns include 4 cpg Petroleum Products Gross Receipts Tax.
New Mexico	17.0	1.0	18.0	36.4	18.0	1.0	19.0	43.4	“Other Taxes” columns include 1 cpg loading fee.
New York	8.0	35.9	43.9	62.3	8.0	36.0	44.0	68.4	“Other Taxes” columns include Petroleum Business Tax of 16.4 cpg for gasoline and 14.65 cpg for diesel (both rates decreased 0.2 cpg 01/01/08), a spill tax of 0.3 cent per gallon collected on gasoline and diesel and a petroleum-testing fee of 0.05 cent per gallon levied on gasoline (only). Effective 06/01/06, the state sales tax on gasoline and diesel was replaced with a new 8 cpg tax (8.75 in the downstate Metropolitan Commuter Transportation District). “Other Taxes” columns include a local county sales tax of between 3.125% to 4.75%, or between 6-10 cpg for the few localities that do not use a percentage tax. The volume-weighted average local sales tax reflected in the chart is 10.7 cpg for gasoline, and 12.6 cpg for diesel.
North Carolina**	29.9	0.3	30.2	48.6	29.9	0.3	30.2	54.6	“Other Taxes” columns include 0.25-cpg inspection tax. Excise tax consists of a 17.5 cpg flat rate plus a variable rate of 12.35 cpg wholesale price component. Effective 01/01/08, wholesale price component increased .2 cpg from 12.15 to 12.35 cpg.
North Dakota	23.0		23.0	41.4	23.0		23.0	47.4	
Ohio	28.0		28.0	46.4	28.0		28.0	52.4	Per 2003 legislation, rate increases 6 cpg in 2-year increments. First increase took effect 06/30/03. 07/01/04 rate increased another 2 cpg (to 26 cpg) and 07/01/05, rate increased an additional 2 cpg (to 28 cpg). Surcharge of 3 cpg for commercial vehicles.
Oklahoma	16.0	1.0	17.0	35.4	13.0	1.0	14.0	38.4	“Other Taxes” columns include 1 cpg per gallon UST fee.
Oregon	24.0	1.0	25.0	43.4	24.0	0.3	24.3	48.7	“Other Taxes” columns include additional optional county gasoline (ranging from 1 to 3 cpg) and city gasoline and diesel taxes (ranging from 1 to 5 cpg).



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Pennsylvania	12.0	20.3	32.3	50.7	12.0	27.2	39.2	63.6	“Other Taxes” columns include 19.2 cent per gallon oil company franchise tax on liquid fuels (primarily gasoline) and 26.1 cpg oil company franchise tax on fuels (primarily diesel). Also includes 1.1 cpg UST fee paid by retailers on gasoline and diesel. Franchise tax based on the average wholesale price of gasoline during a 1-year period and revised on 1/1 annually. Oil franchise tax increased 1.2 cpg for gasoline and 1.7 cpg for diesel on 01/01/06. Rates remained the same on 01/01/07 and 01/01/08.
Rhode Island	30.0	1.0	31.0	49.4	30.0	1.0	31.0	55.4	“Other Taxes” columns include 1 cent per gallon environmental protection regulatory fee for UST program.
South Carolina	16.0	0.8	16.8	35.2	16.0	0.8	16.8	41.2	“Other Taxes” columns include a 0.25 cpg inspection fee for inspection program and 0.50-cpg environmental fee for UST cleanup. Assessed on all petroleum products at the wholesale level.
South Dakota	22.0	2.0	24.0	42.4	22.0	2.0	24.0	48.4	“Other Taxes” columns include 2 cpg Tank Inspection Fee. E10 and anything less than E85 is taxed at 20 cpg; E85 is taxed at 10 cpg.
Tennessee	20.0	1.4	21.4	39.8	18.0	0.4	18.4	42.8	“Other Taxes” columns include 1-cent special petroleum tax for gasoline and .4 cpg environmental assurance fee.
Texas	20.0		20.0	38.4	20.0		20.0	44.4	--
Utah	24.5		24.5	42.9	24.5		24.5	48.9	--
Vermont	19.0	1.0	20.0	38.4	25.0	1.0	26.0	50.4	“Other Taxes” columns include 1 cpg license fee for UST fund.
Virginia	17.5	2.1	19.6	38.0	17.5	2.1	19.6	44.0	“Other Taxes” columns include 0.6-cpg petroleum storage tank fee and 2% sales tax on motor fuels in localities that are part of the Northern Virginia Transportation District or localities in a transportation district contiguous to that district. Diesel excise tax increased 07/01/07 by 1.5 cpg to match gasoline excise tax rate.
Washington	37.5		37.5	55.9	37.5		37.5	61.9	Per 2005 legislation (SB 6103), rate increased 2 cpg on 07/01/07 and an additional 1.5 cpg on 07/01/08.



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West Virginia	20.5	11.7	32.2	50.6	20.5	11.7	32.2	56.6	5% variable wholesale tax increased from 11 cpg to 11.7 cpg based on statewide average wholesale price of gasoline with a minimum price of \$2.20.
Wisconsin**	30.9	2.0	32.9	51.3	30.9	2.0	32.9	57.3	Effective 04/01/06, rate permanently changed to 30.9 cpg. "Other Taxes" columns include 2-cpg UST fee on gasoline and diesel. Gasoline tax indexing ended 04/01/07.
Wyoming	13.0	1.0	14.0	32.4	13.0	1.0	14.0	38.4	"Other Taxes" columns include 1 cpg to the environmental cleanup costs.
United States Averages	18.4	12.6	31.0	49.4	18.7	13.3	32.0	56.4	Represents volume-weighted averages.

** = Variable Tax



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