



Indiana Department of Revenue

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Departmental Notice #45

Subject: Suspension of the Gasoline Use Tax Effective from April 8, 2026, through August 6, 2026, and Suspension of the Gasoline Excise Tax from May 6, 2026, through August 6, 2026

Publication Date: July 2026

Effective Date: July 2, 2026

Reference(s): IC 6-2.5-3.5; IC 6-6-1.1; IC 6-6-13; IC 16-44-2-18; IC 10-14-3-13

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Summary of Suspensions by Executive Order

On April 8, 2026, Governor Mike Braun issued Executive Order 26-09, which declared an energy emergency to deal with the increasingly high prices charged for gasoline in Indiana. The Governor suspended, effective immediately, the gasoline use tax on motor fuel, relying on the Energy Emergency Statute found at IC 10-14-3-13. The suspension was scheduled to end on May 8, 2026.

On May 6, 2026, Governor Braun issued Executive Order 26-11, which extended the energy emergency to deal with the increasingly high prices charged for gasoline in Indiana. The Governor continued the suspension of the gasoline use tax on motor fuel, relying on the Energy Emergency Statute found at IC 10-14-3-13. The suspension of the gasoline use tax was scheduled to end on June 7, 2026.

In addition, Executive Order 26-11 suspended the gasoline excise tax, effective immediately, for the remaining duration of the energy emergency. The suspension covers the gasoline excise tax collected on gasoline delivered to taxable marina facilities. The gasoline excise tax was suspended for May 6, 2026, until June 7, 2026.

On June 3, 2026, Governor Braun issued Executive Order 26-13, in which he declared a second energy emergency to deal with the increasingly high prices charged for gasoline in Indiana. The Governor suspended, effective June 7, 2026, the gasoline use tax and gasoline excise tax, relying again on the Energy Emergency Statute found at IC 10-14-3-13. The suspension was scheduled to end on July 7, 2026.

On July 2, 2026, Governor Braun issued Executive Order 26-16, which extended the second energy emergency to deal with the increasingly high prices charged for gasoline in Indiana. The Governor suspended the gasoline use tax and gasoline excise tax, relying again on the Energy Emergency Statute found at IC 10-14-3-13. The suspension will end on August 6, 2026.

NOTE: The suspension on gasoline excise tax did not suspend the corresponding annual inventory tax. Furthermore, neither suspensions on gasoline excise tax covers gasoline subject to the aviation fuel tax imposed under IC 6-6-13 and does not cover the oil inspection fee imposed under IC 16-44-2-18.

Instructions for Distributors and Retailers

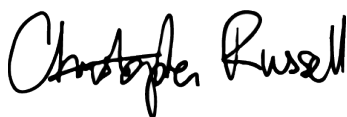
These suspensions entail various temporary changes, both for the department and for distributors and retailers of gasoline. Gasoline use tax is imposed when a distributor, refiner, or terminal operator sells gasoline for delivery to a retail merchant. A retail merchant then includes that amount in the price that they sell at the pump. Unlike sales tax imposed under IC 6-2.5, the gasoline use tax is not a retail level tax.

Gasoline excise tax is imposed when a distributor first receives gasoline in Indiana or as otherwise provided in IC 6-6-1.1. A distributor then includes the gasoline excise tax in the price of gasoline sold by the distributor in Indiana. A retail merchant selling gasoline includes the gasoline excise tax in the price that they sell at the pump. The gasoline excise tax is not a retail level tax.

Instructions for the temporary changes have been issued through INTIME to licensed distributors. Additional information and instructions for both the gasoline use tax and gasoline excise tax are found on the gasoline use tax page on the department's website: in.gov/dor/i-am-a/business-corp/gasoline-use-tax/.

Additional information on filing and instructions for both the gasoline excise tax and gasoline use tax will be updated on the gasoline use tax page on the department's website above. Sales Tax Information Bulletin #83 (in.gov/dor/files/reference/sib83.pdf), which provides the department's guidance on gasoline use tax, should also be referenced.

Additionally, the current gasoline use tax rate can be found in Department Notice #2 (in.gov/dor/files/reference/dn02.pdf). The rate will continue to be updated regardless of whether a suspension remains in effect.



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