



## INDIANA DEPARTMENT OF REVENUE

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Indiana Government Center  
100 N. Senate Ave  
Indianapolis, IN 46204-2253

### DEPARTMENTAL NOTICE #12 JUNE 2020

(Replaces Departmental Notice #12 dated July 2019)  
Effective Date: July 1, 2020 (except where noted)

**SUBJECT:** State and Federal Excise Taxes Levied on Motor Fuel

**REFERENCES:** IC 6-2.5-5-51; IC 6-6-1.1-201; IC 6-6-2.5-28; IC 16-44-2-18; IC 16-44-2-18.5

**DISCLAIMER:** Departmental notices are intended to provide nontechnical assistance to the general public. Every attempt is made to provide information that is consistent with the appropriate statutes, rules, and court decisions. Any information that is not consistent with the law, regulations, or court decisions is not binding on the department or the taxpayer. Therefore, the information provided herein should serve only as a foundation for further investigation and study of the current law and procedures related to the subject matter covered herein. This document does not meet the definition of a "statement" required to be published in the Indiana Register under IC 4-22-2-7.

#### SUMMARY OF CHANGES

The notice was updated to provide the new fuel tax rates effective July 1, 2020.

#### I. REQUIREMENTS TO FILE FORM ST-103MP

As of July 1, 2017, the sale of special fuel is exempt from the seven percent (7%) gross retail (or "sales") tax. However, as of March 21, 2018, special fuel sold as heating oil is no longer exempt from Indiana sales tax.

Persons who sell special fuel through a stationary-metered pump (service stations, convenience stores, key pumps, etc.) will no longer need to report sales of special fuel on Form ST-103MP, as special fuel (except heating oil) is now exempt from sales tax. "Special fuel" includes biodiesel, blended biodiesel, heating oil, and natural gas products (compressed natural gas (CNG) and liquefied natural gas (LNG)). The term does not include: gasoline; ethanol produced, stored, or sold for the manufacture of or compounding or blending with gasoline; kerosene; or jet fuel (if the purchaser of the jet fuel has provided to the seller proof of the purchaser's federal jet fuel registration at or before the time of each sale. Taxpayers whose only types of fuel sold via a metered pump are gasoline and special fuel should now file Form ST-103. However, the ST-103MP must

still be used to report sales of kerosene, propane, butane, special fuel that is a heating oil (beginning March 21, 2018), and other fuels sold via metered pump.

## II. DETERMINATION OF THE AMOUNT OF EXCISE TAXES PAID

Generally, a taxpayer can determine the amount of state and federal excise tax that was paid by reviewing the invoice from the distributor. Beginning July 1, 2017, the state excise tax rate was \$0.28 per gallon for gasoline and \$0.26 per gallon for special fuel. Beginning July 1, 2018, the state excise tax rate for gasoline increased to \$0.29 and the state excise tax rate for special fuel increased to \$0.48 per gallon. Beginning July 1, 2019, the state excise tax rate for gasoline increases to \$0.30 and the state excise tax rate for special fuel increases to \$0.49 per gallon. Beginning July 1, 2020, the state excise tax rate for gasoline increases to \$0.31 and the state excise tax rate for special fuel increases to \$0.51 per gallon.

**NOTE:** The oil inspection fee is \$0.01 per gallon and is imposed on gasoline and special fuel. If you have been charged \$0.31 per gallon for gasoline (or \$0.32 beginning July 1, 2020), or \$0.50 (or \$0.52 beginning July 1, 2020) per gallon for special fuel, the distributor has included the oil inspection fee on the same line as the state excise tax. The oil inspection fee *cannot* be backed out to determine the net price of the fuel.

The following charts list the current and previous tax rates per gallon to help assist in completing the ST-103 and the ST-103MP. All rates include state and federal excise taxes. The rates do not include any sales or use taxes.

<b>Gasoline Tax Rate</b>		<b>Special Fuel Tax Rate</b>	
10/01/93 thru 12/31/95	.334	10/01/93 thru 12/31/95	.404
01/01/96 thru 09/30/97	.333	01/01/96 thru 09/30/97	.403
10/01/97 thru 12/31/02	.33400	10/01/97 thru 06/30/17	.40400
01/01/03 thru 06/30/17	.364	07/01/17 thru 06/30/18	.50400
07/01/17 thru 06/30/18	.464	07/01/18 thru 06/30/19	.72400
07/01/18 thru 06/30/19	.474	07/01/19 thru 06/30/20	.73400
07/01/19 thru 06/30/20	.484	07/01/20 and onward	.75400
07/01/20 and onward	.494		

The gasoline use tax rate is contained in [Departmental Notice #2](#) and is available online at [www.in.gov/dor/3618.htm](http://www.in.gov/dor/3618.htm).

  
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Robert J. Grennes, Jr.  
Commissioner