



January 3, 2020
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2020 Federal Motor Fuel Excise Tax Rates

From PMAA

Prospective Reinstatement of the Oil Spill Liability Tax - The federal Oil Spill Liability Tax (OSLT) that expired on December 31, 2018 has been reauthorized prospectively (not retroactively) beginning January 1, 2020. Refiners are the only parties in the petroleum distribution chain liable for the OSLT. The OSLT rate is \$0.09 cents per barrel of crude oil. Refiners pass the OSLT downstream as a cost rolled into the per gallon price of finished product and adjusted downward based on the volume of any non-crude blend stock added at the terminal such as ethanol and biodiesel.

The fee may appear as a line item on some invoices, but other companies will simply build it into the rack price.

[Click here](#) to read the full PMAA Compliance Bulletin.

General Assembly Convenes Next Week

The Virginia House and Senate will convene next week for a 60 day session. There will be an effort to increase fuels taxes by 12 cents per gallon over a three year period and to index that amount to the Consumer Price Index moving forward. Our efforts have been concentrated on educating legislators and the executive Branch on the ramifications of the Transportation Climate Initiative (TCI) which would socialize Virginia's petroleum marketing industry and mandate that diesel and gasoline sales decline 80 percent by 2040 or sooner. We have demonstrated that under TCI, any new revenue from a cents per gallon increase would be gone in less than four years, and that devastating impact it would have on the Transportation Trust Fund moving forward.