

update

Michael J. O'Connor, President

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DMV Draft Calls for New Regional Fuels Taxes of .076 CPG for Gasoline, .077 for Diesel

Under legislation passed in the 2018 General Assembly session, the method for calculating the local motor fuel tax collected in Northern Virginia and Hampton Roads will change to cents per gallon effective July 1. Under draft guidelines released today, the local taxes would be .076 for gasoline and .077 for diesel. As in the past, these taxes will adjust every six months - now based upon 2.1 percent of the average distributor price.

The draft guidelines for setting the distributor price are as follows:

OPIS Floor Price	3.17
Distributor Net Margin	0.072
Taxes and Fees	0.354
Distributor Price	3.596

$$3.596 \times 2.1 = 7.6 \text{ CPG New Regional Gasoline Tax}$$

It was emphasized by DMV staff at today's meeting that while these are draft guidelines, any input from the industry and VPCGA **must be received in the next week** as June 1 is their deadline for public release of this information. We have attached the PowerPoint presentation from today's meeting as well as a spreadsheet on Regional Fuels Tax margin calculation. Please share this with those in your company that are responsible for fuels tax compliance and get back to us not later than next **MONDAY, MAY 7th** with any concerns or questions you may have.

For a copy of the Regional Fuels Tax Margin Calculation, [click here](#).

To view a copy of the DMV presentation, [click here](#).

Save the Date!

70th Annual Meeting - September 30-October 2, 2018

The Greenbrier Resort

White Sulphur Springs, WV