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## Motor Vehicle Fuel Use Tax

**Taxpayer**

Fuel use tax permit holders.

**Tax Base**

Fuel used on Ohio highways by tractor-trailer combinations, trucks with three axles or more, and two-axle trucks pulling a trailer with a gross vehicle weight over 26,000 pounds. Taxpayers must pay tax on the amount by which the fuel consumed in Ohio exceeds the fuel purchased in Ohio.

**Rate**

The total rate is 28 cents per gallon as of July 1, 2005. This is the same total rate in effect the previous fiscal year, but effective July 1, 2005, the base rate increased to 28 cents from 26 cents and a two-cent surtax was eliminated.

**Major Exemptions**

Vehicles owned and operated by the federal government, the State of Ohio, and Ohio's political subdivisions.

**Revenue (In Millions)****Fiscal**

| <b>Year</b> | <b>Total</b> |
|-------------|--------------|
| 2001        | \$75.3       |
| 2002        | 69.4         |
| 2003        | 71.4         |
| 2004        | 72.3         |
| 2005        | 70.5         |

**Disposition of Revenue**

Highway bond retirement funds for as long as needed and then to the Highway Operating Fund.

**Payment Dates**

Reports and payments are filed quarterly by January 31, April 30, July 31, and October 31 for the liability for the previous three months, or annually by July 31 for the liability for the previous 12 months.

**Special Provisions/Credits**

None.

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**Motor Vehicle Fuel Use Tax**

**Sections of Ohio Revised Code**

Chapter 5728.

**Responsibility for Administration**

Tax Commissioner.

**History of Major Changes**

- 1981 • Tax became effective July 1.
  
- 1991 • Three cents per gallon surtax became effective.
  
- 1995 • Ohio joined International Fuel Tax Agreement (IFTA).
  
- 2003 • Tax rate increased by two cents per gallon, from 22 to 24 cents, effective July 1.
  
- 2004 • Tax rate increased by two cents per gallon, from 24 to 26 cents, and the surtax decreased from three cents to two cents, effective July 1.
  
- 2005 • Tax rate increased by two cents per gallon, from 26 to 28 cents, and the surtax was completely eliminated, effective July 1.



## Motor Vehicle Fuel Use Tax

## Comparisons with Other States (As of 01/06)

Tax Rate  
(cents per gallon)

| State                        | Gasoline | Diesel | Sales Tax<br>Applicable |
|------------------------------|----------|--------|-------------------------|
| California <sup>(1)</sup>    | —        | 33.00  | Yes                     |
| Florida <sup>(2)</sup>       | 19.97    | 29.97  | Yes                     |
| Illinois <sup>(3)</sup>      | 30.90    | 35.00  | Yes                     |
| Indiana <sup>(4)</sup>       | 29.00    | 27.00  | Yes                     |
| Kentucky <sup>(5)</sup>      | 19.80    | 20.40  | No                      |
| Massachusetts                | 21.00    | 21.00  | No                      |
| Michigan <sup>(6)</sup>      | —        | 27.60  | Yes                     |
| New Jersey                   | 14.50    | 17.50  | No                      |
| New York <sup>(7)</sup>      | 42.20    | 41.65  | Yes                     |
| Pennsylvania                 | 31.20    | 38.10  | No                      |
| Texas                        | 20.00    | 20.00  | No                      |
| West Virginia <sup>(8)</sup> | 27.00    | 27.00  | Yes                     |

**Source:** International Fuel Tax Administration (IFTA). All data current as of January 1, 2006.

**Notes:** (1)Gasoline is not applicable. The applicable sales tax rate on the sale of gasoline is 7.25%. (2)The applicable sales tax rate on the sale of gasoline is 6.0% percent. (3)The applicable sales tax rate on the sale of gasoline is 6.25%. (4)Rate shown includes a surcharge of 11 cents per gallon. The applicable sales tax rate on the sale of gasoline is 6.0%. (5)Rate shown includes a surcharge of 2.7 cents per gallon for gasoline and 6.3 cents per gallon for diesel. (6)Gasoline is not applicable. The applicable sales tax rate on the sale of gasoline is 6.0%. (7)The applicable sales tax rate on the sale of gasoline is 4.0%. (8)The applicable sales tax rate on the sale of gasoline is 6.5%.