



North Carolina Department of Revenue


Pat McCrory  
Governor

Lyons Gray  
Secretary

December 15, 2014

**MEMORANDUM**

TO: Motor Fuels and Alternative Fuels Licensees

FROM: John D. Panza, Director   
Excise Tax Division

RE: Motor Fuels and Alternative Fuels Tax Rate  
January 1, 2015 through June 30, 2015

In accordance with North Carolina General Statute 105-449.80, the Secretary of Revenue has determined that the motor fuels and alternative fuels tax rate for the period January 1, 2015 through June 30, 2015 will increase from 36.5 cents per gallon to 37.5 cents per gallon.

The tax rate is computed using a flat rate of 17.5 cents per gallon and a variable wholesale component. The variable wholesale component is the greater of 3.5 cents or 7 percent of the average wholesale price of motor fuel during the preceding six-month base period. The average wholesale price is a weighted average of the wholesale prices of gasoline and No. 2 diesel fuel. The average price for the last base period was \$2.8808 cents per gallon. During the 2013 legislative session, North Carolina House Bill 998 was passed, which capped the motor fuels tax rate at 37.5 cents per gallon. The cap is effective through June 30, 2015.

In addition, the inspection tax remains at .0025 cents per gallon.

If you have any questions, please contact the Excise Tax Division at (919) 707-7500 or toll free at (877) 308-9092.