Special Notice

Rate Change for International Fuel Tax Agreement (IFTA) and Interstate User Diesel Fuel Tax (DI) Licensees
Effective July 1, 2016

Effective July 1, 2016, the tax rate you report and pay with your quarterly IFTA or DI tax return for diesel fuel purchased outside California and used in California will decrease from 45.0 cents ($0.450) to 40.0 cents ($0.400) per gallon.

This rate will be in effect until June 30, 2017. You should begin using this rate when you report and file your third quarter 2016 return.

You may claim a credit of 40.0 cents per gallon for tax-paid diesel fuel purchased in California on or after July 1, 2016, that you use both inside and outside California.

The 40.0 cents per gallon includes:

- 16.0 cents ($0.160) per gallon of diesel fuel tax (adjusted annually, effective July 1 of each year); and
- an additional excise tax of 24.0 cents ($0.240) per gallon (adjusted annually, effective July 1 of each year).

For more information, visit our website at www.boe.ca.gov. You may also call our Customer Service Center at 1-800-400-7115 (TTY:711), Monday through Friday, 8:00 a.m. to 5:00 p.m. (Pacific time), excluding state holidays. To reach the Motor Carrier Office staff, select the option for Special Taxes and Fees from the main menu, followed by the Motor Carrier Office Programs option.

Visit our website at www.boe.ca.gov/info/notify.htm to subscribe to our email lists and receive the latest news, including newsletters, tax and fee updates, public meeting agendas, and other announcements.