

Revenue Information Bulletin No. 16-004
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Sales Tax

2016 Taxable Value for Refinery Gas

Louisiana Revised Statutes 47:301(3)(f) and 47:301(13)(d) provide that the taxable value for refinery gas will be computed annually by multiplying 52 cents per thousand cubic feet by a fraction of which the numerator is the posted price for a barrel of West Texas Intermediate Crude Oil on December 1 of the preceding calendar year and the denominator is \$29. The posted price for a barrel of West Texas Intermediate Crude Oil on December 1, 2015 as reported by the United States Energy Information Administration was \$40.58. The taxable value for refinery gas for 2016 was computed as follows:

$$\$0.52 \times \left(\frac{\$40.58}{\$29} \right) = \$0.728 \text{ per MCF}$$

Accordingly, the taxable value for refinery gas for sales and use tax purposes for calendar year 2016 has been set at \$0.728 per thousand cubic feet (MCF). This price is the maximum value that can be set for refinery gas by state and local authorities.

Refinery gas valuations for previous years are as follows:

2015	\$1.237
2014	\$1.669
2013	\$1.596
2012	\$1.797
2011	\$1.556
2010	\$1.405
2009	\$0.884
2008	\$1.601
2007	\$1.137

Questions concerning the taxable value of refinery gas for state sales and use tax purposes should be directed by email to sales.inquiries@la.gov. Questions about the valuation adopted by local authorities should be directed to the appropriate local authority.

Tim Barfield
Secretary

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