

Revenue Information Bulletin No. 19-004
January 1, 2019
Sales Tax

2019 Taxable Value for Refinery Gas

LA R.S. 47:301(3)(f) and LA R.S. 47:301(13)(d) provide that the taxable value of refinery gas will be computed annually by multiplying 52 cents per thousand cubic feet by a fraction the numerator of which is the posted price for a barrel of West Texas Intermediate Crude Oil on December 1st of the preceding calendar year and the denominator of which is \$29. Since December 1, 2018 fell on a Saturday, the posted price used in the computation was the average of the spot prices for West Texas Intermediate Crude Oil for November 30, 2018 and December 3, 2018, as reported by the United States Energy Information Administration. This average was \$51.88. The taxable value for refinery gas for 2019 was computed as follows:

$$\$0.52 \times \left(\frac{\$51.88}{\$29} \right) = \$0.930 \text{ per MCF}$$

Accordingly, the taxable value for refinery gas for sales and use tax purposes for calendar year 2019 has been set at \$0.930 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 valuation for previous years are as follows:

2018.....	\$1.046
2017.....	\$0.916
2016.....	\$0.728
2015.....	\$1.237
2014.....	\$1.669
2013.....	\$1.596
2012.....	\$1.797
2011.....	\$1.556
2010.....	\$1.405

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.

Kimberly Lewis Robinson
Secretary