

Revenue Information Bulletin No. 21-022
September 1, 2021
Excise Taxes

Waiver of Dyed Diesel Fuel Penalty
Due to Disruptions of the Fuel Supply Chain by Hurricane Ida

Following the issuance by the Internal Revenue Service of IR-2021-176 on September 1, 2021, granting dyed diesel fuel penalty relief in Louisiana due to Hurricane Ida, the Louisiana Department of Revenue will also waive the state diesel fuel penalty for selling or using tax-exempt dyed diesel fuel on the highway. This relief period will coincide with that of the Internal Revenue Service, which commenced August 29, 2021, and will remain in effect through September 15, 2021.

This penalty relief is available to any person that sells or uses dyed diesel fuel for highway use in the following parishes: Ascension, Assumption, East Baton Rouge, East Feliciana, Iberia, Iberville, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, Pointe Coupee, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Washington, West Baton Rouge and West Feliciana. In the case of the operator of the vehicle in which the dyed diesel fuel is used, the relief is available only if the operator or the person selling the dyed diesel fuel pays the Louisiana excise tax of 20 cents per gallon. Ordinarily, dyed diesel fuel is not taxed because it is sold for uses exempt from the excise tax, such as for off-road use or to farmers for farming purposes.

Questions concerning the dyed diesel fuel penalty should be directed by email to Policy.Publications@la.gov.

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Secretary