SPECIAL NOTICE

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION
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Sacramento, CA 95811

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Director

CDTFA WEBSITE
www.cdtfa.ca.gov

CUSTOMER SERVICE CENTER
1-800-400-7115

TTY
711

ONLINE VERSION

ADDITIONAL INFORMATION

Tax Rates for Motor Vehicle and Diesel Fuels

Rates in effect from July 1, 2026, through June 30, 2027

Sales and Use Tax Rates		
Type of Fuel	**Prepayment per Gallon**	**Sales and Use Tax Rates***
Gasoline (motor vehicle fuel)	8.0 cents ($0.080)	2.25%
Aircraft jet fuel	14.5 cents ($0.145)	7.25%
Diesel fuel	42.5 cents ($0.425)	13.00%
Aviation gasoline	Not applicable	Not applicable

* *You must add district taxes where applicable. District tax rates for your area are available on our website at www.cdtfa.ca.gov/formspubs/cdtfa105.pdf.*

Excise Tax Rates per Gallon		
Type of Fuel	**Through June 30, 2026**	**Effective July 1, 2026**
Gasoline (motor vehicle fuel)	61.2 cents ($0.612)	63.4 cents ($0.634)
Aircraft jet fuel**	2 cents ($0.02)	2 cents ($0.02)
Diesel fuel	46.6 cents ($0.466)	48.2 cents ($0.482)
Aviation gasoline	19 cents ($0.19)	19.7 cents ($0.197)

** *The excise tax on aircraft jet fuel is not subject to an annual adjustment.*

How are the sales and use tax prepayment rates determined?

We calculate the prepayment rate for each gallon of gasoline, aircraft jet fuel, and diesel fuel at 80 percent of the combined state and local sales tax on the average selling price of the fuel, excluding sales tax, as reported by industry publications. We are required to establish the sales tax prepayment rates by March 1 of each year.[1] Recent fuel price increases due to the conflict in the Middle East, which has disrupted global oil supply and contributed to higher costs for consumers nationwide, have impacted prepayment rates. We may adjust these rates during the year if changes in fuel prices cause fuel retailers to prepay too much or too little tax.

Excise tax rate adjustment required under California law

Revenue and Taxation Code section 7360(d) requires CDTFA to adjust the motor vehicle fuel[2], diesel fuel[3] and aviation gas excise tax rates on July 1 of each year based on the percentage change in the California Consumer Price Index. This requirement to adjust rates was directly affirmed by California voters in 2018 with the rejection of Proposition 6. Motor vehicle fuel and diesel fuel excise tax revenue is deposited into the State Highway Account and the Road Maintenance and Rehabilitation Account to fund critical transportation infrastructure, including road maintenance, bridge safety, and congestion relief.

For more information

If you have questions regarding this notice, call our Customer Service Center at 1-800-400-7115 (TTY:711). Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.

For additional information about fuel taxes, please see our *Fuel Tax and Fee Guides* at *www.cdtfa.ca.gov/taxes-and-fees/fuel-tax-and-fee-guides/* or our *Tax Guide for Gas Station Operators* at *www.cdtfa.ca.gov/industry/gas-stations.htm*. You may also view current and previous prepayment rates at *www.cdtfa.ca.gov/taxes-and-fees/prepayment-rates-fuels.htm*.

[1] *www.cdtfa.ca.gov/lawguides/vol1/sutl/6480-1.html*
[2] *www.cdtfa.ca.gov/lawguides/vol3/mvftl/mvftl-7360.html*
[3] *www.cdtfa.ca.gov/lawguides/vol3/dftl/dftl-60050.html*