

WEST VIRGINIA STATE TAX DEPARTMENT
Administrative Notice 2001- 22R

SUBJECT: AVERAGE WHOLESAL FUEL PRICE -- State Tax Commissioner's Notice concerning the average wholesale price of fuel in West Virginia for calendar year 2001, this average wholesale price to be used in calculating the Consumers Sales Tax on fuel for calendar year 2002.

**NOTICE OF AVERAGE WHOLESAL PRICE OF
GASOLINE AND SPECIAL FUEL
COMPUTATION OF CONSUMERS SALES AND USE TAXES
During the period
January 1, 2002 to December 31, 2002**

Enrolled Committee Substitute for House Bill 1657 was passed by the Legislature on February 18, 1983, signed by Governor John D. Rockefeller IV on March 3, 1983 and was effective on April 1, 1983. This bill imposes the West Virginia five percent (5%) Consumers Sales and Use Tax on the average wholesale price of gasoline and special fuels, which average wholesale price is to be determined by the Tax Commissioner.

Pursuant to Section §11-15A-13(c) (1) of said Bill, notice is hereby given that the single average wholesale price of gasoline and special fuel for the period beginning January 1, 2001 and ending December 31, 2001, inclusive, shall be \$0.97 per gallon.

During the period beginning January 1, 2002 and ending December 31, 2002, inclusive, the West Virginia Consumers Sales and Use Tax applicable to the average wholesale price of all gasoline and special fuel converted and computed on a gallon basis, shall be \$.0485 or (4.85 cents).

$$\$0.97 \times 5 \% = \$0.0485$$

This average wholesale price per gallon (\$0.97) and the tax computed thereon (\$0.0485) shall apply to all gallons of gasoline or special fuel sold, purchased or used in this State during the period beginning January 1, 2002 and ending December 31, 2002, inclusive regardless of whether the actual purchase price of such gasoline or special fuel is more or less than \$0.97 per gallon.

The term "gasoline" is defined in Section §11-15-18(c) (4) as follows:

"Gasoline shall mean and include any product commonly or commercially known as gasoline, regardless of classification, suitable for use in an internal combustion engine, except special fuel as hereinafter defined, including any product obtained by blending together any one or more products, with or without other products, if the resultant product is capable of the same use."

The term "special fuel" is defined in Section §11-15-18(c) (9) as follows:

"Special fuel shall mean and include any gas or liquid, other than gasoline, used or suitable for use as fuel in an internal combustion engine. The term special fuel shall include products commonly known as natural or casing head gasoline and shall include gasoline and special fuel for heating any private residential dwelling, building or other premises; but shall not include any petroleum product or chemical compound such as alcohol, industrial solvent, heavy furnace oil, lubricant, etc., not commonly used nor practicably suited for use as fuel in an internal combustion engine."

The term "aircraft fuel" is defined in Section §11-15-18(c) (2) as follows:

"Aircraft fuel shall mean gasoline and special fuel suitable for use in any aircraft engine."

Home heating oil is included within the definition of special fuel. Beginning April 1, 1983, the Consumers Sales Tax on home heating oil will be calculated on the average wholesale price determined by the Tax Commissioner (\$1.03 per gallon) rather than on actual gross proceeds of sales, which heretofore had been the measure of Consumer Sales Tax on sales of home heating oil to residential customers.

Notice will be filed in the State Register, on or before December 1, 2001, of the determination by the Tax Commissioner, of the average wholesale price of gasoline and special fuel for purposes of Consumers Sales and Use Tax computations during the period January 1, 2002 through December 31, 2002 See, WV Code §11-15A-13(c) (1).

Issued: December 13, 2001

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