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Secretary of Revenue

WEST VIRGINIA TAX DIVISION

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Tax Commissioner

ADMINISTRATIVE NOTICE 2025-13

Notice of Determination of Average Wholesale Price of Motor Fuel for the Period of January 1, 2026, to December 31, 2026, for the Purposes of the West Virginia Motor Fuel Excise Tax

This Administrative Notice sets forth the determination of the average wholesale price of conventional motor fuels and “alternative” motor fuels for the 2026 calendar year. The West Virginia Motor Fuel Excise Tax is composed of a flat rate equal to \$0.205 per invoiced gallon or, for alternative fuel, per gasoline gallon equivalent, plus a variable component of 5 percent of the average wholesale price of each fuel.

Alternative fuel includes butane, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG or propane), and other specified fuels. For information regarding the determination of the gasoline gallon equivalent for alternative fuels, please see Administrative Notice 2015-25.

Notice is hereby issued, in accordance with Section 11-14C-5 of the West Virginia Code and based upon available information for the preceding review period, that the average wholesale prices of motor fuels for purposes of the Motor Fuel Excise Tax for the period beginning January 1, 2026, and ending December 31, 2026, inclusive, are as follows:

Table 1: Average Wholesale Prices for January 1, 2026, to December 31, 2026

| Motor Fuel | Average Wholesale Price |
|------------------------------------------|----------------------------------|
| Conventional Motor Fuels* | \$3.040 per gallon |
| Compressed Natural Gas (CNG) | \$6.629 per 1,000 cubic feet |
| Liquefied Natural Gas (LNG) | \$0.540 per gallon |
| Liquefied Petroleum Gas (LPG or Propane) | \$0.873 per gallon |
| Field Gas | Exempt per W.Va. Code §11-14C-9a |

* Conventional Motor Fuels include Gasoline, Diesel, Kerosene, etc. unless otherwise noted.

The calculations of average wholesale prices as shown above include data from the Oil Price Information Services (OPIS) for conventional motor fuels and liquefied petroleum gas (LPG or Propane) and the U.S. Energy Information Administration (EIA) for natural gas. All references to cubic feet (CF) are based on measurement at standard pressure and temperature of 14.73 pounds of pressure per square inch at 60° Fahrenheit.

Motor Fuel Excise Tax Rates: January 1, 2026 – December 31, 2026

Conventional Motor Fuels

For conventional motor fuels, including gasoline, diesel, kerosene, and related products, the **average wholesale price** shall be \$3.040 per gallon for the referenced period, inclusive. The **variable component** computed thereon shall be \$0.152 per gallon ($\$3.040 \times 5\%$). The **flat rate component** of the Motor Fuel Excise Tax on conventional motor fuels is \$0.205 per gallon resulting in a **combined tax rate of \$0.357 per gallon**. This average wholesale price per gallon (\$3.040), the variable component tax computed thereon (\$0.152 per gallon), and the flat rate component (\$0.205 per gallon) shall apply to all gallons of gasoline, diesel, kerosene, and related products sold, purchased, or used in this State during the period beginning January 1, 2026 and ending December 31, 2026, inclusive, regardless of whether the actual purchase price of such motor fuel is more or less than \$3.040 per gallon.

Compressed Natural Gas (CNG)

For compressed natural gas, the **average wholesale price** shall be \$6.629 per 1,000 cubic feet (CF) for the referenced period, inclusive. The **variable component** computed thereon shall be \$0.331 per 1,000 cubic feet ($\$6.629 \times 5\%$). The **flat rate component** of the Motor Fuel Excise Tax on compressed natural gas is \$1.618 per 1,000 cubic feet of compressed natural gas, determined as follows:

$$\frac{\$0.205 \text{ per gal. conv. fuel}}{126.67 \text{ CF of CNG GGE}} = \$0.001618378 \text{ GGE per CF} \times 1,000 \text{ CF} = \$1.618 \text{ per 1,000 CF CNG}$$

The **combined tax rate shall be \$1.949 per 1,000 cubic feet**. This average wholesale price per 1,000 cubic feet (\$6.629), the variable component tax computed thereon (\$0.331 per 1,000 cubic feet), and the flat rate component (\$1.618 per 1,000 cubic feet) shall apply to all units of compressed natural gas sold, purchased, or used in this State during the period beginning January 1, 2026 and ending December 31, 2026, inclusive, regardless of whether the actual purchase price of such motor fuel is more or less than \$6.629 per 1,000 per cubic feet. The tax rates for compressed natural gas specified in terms of the gasoline gallon equivalent (GGE) (126.67 cubic feet or 5.66 pounds) are shown in Table 2.

Liquefied Natural Gas (LNG)

For liquefied natural gas, the average wholesale price shall be \$6.629 per 1,000 cubic feet for the referenced period, inclusive. The **average wholesale price** of liquefied natural gas in terms of GGE LNG gallons shall be \$0.540 per gallon ($\$6.629 \text{ per } 1,000 \text{ CF} \div 1,000 \text{ CF} \times 126.67 \text{ CF per } 1.554 \text{ gallons}$). The **variable component** computed thereon shall be \$0.027 per gallon of LNG ($\$0.540 \times 5\%$). The **flat rate component** of the Motor Fuel Excise Tax on liquefied natural gas is \$0.132 per gallon of liquefied natural gas, determined as follows:

$$\frac{\$0.205 \text{ per gallon conventional fuel}}{1.554 \text{ gallons of LNG GGE}} = \$0.132 \text{ per gallon of LNG}$$

The resulting **combined tax rate shall be \$0.159 per gallon**. This average wholesale price per gallon (\$0.540), the variable component tax computed thereon (\$0.027 per gallon), and the flat rate component (\$0.132 per gallon) shall apply to all gallons of liquefied natural gas sold,

purchased, or used in this State during the period beginning January 1, 2026 and ending December 31, 2026, inclusive, regardless of whether the actual purchase price of such motor fuel is more or less than \$0.540 per gallon.

Liquefied Petroleum Gas (LPG or Propane)

For liquefied petroleum gas (LPG or propane), the **average wholesale price** shall be \$0.873 per gallon for the referenced period, inclusive. The **variable component** computed thereon shall be \$0.044 per gallon equivalent ($\$0.873 \times 5\%$). The **flat rate component** of the Motor Fuel Excise Tax on liquefied petroleum gas is \$0.150 per gallon of liquefied petroleum gas, determined as follows:

$$\frac{\$0.205 \text{ per gallon conventional fuel}}{1.367 \text{ gallons of LPG GGE}} = \$0.150 \text{ per gallon of LPG}$$

The resulting **combined tax rate shall be \$0.194 per gallon**. This average wholesale price per gallon (\$0.873), the variable component tax computed thereon (\$0.044 per gallon), and the flat rate component (\$0.150 per gallon) shall apply to all gallons of liquefied petroleum gas sold, purchased, or used in this State during the period beginning January 1, 2026 and ending December 31, 2026, inclusive, regardless of whether the actual purchase price of such motor fuel is more or less than \$0.873 per gallon.

Field Gas

Effective June 9, 2016, sales of field gas were exempted from the variable and flat rate components of the Motor Fuel Excise Tax per West Virginia Code §11-14C-9a, et seq.

Definition of Common Terms

For the purposes of this notice:

“Field equipment” means generators, compressors, engines, micro turbines, turbines, or any other motor or apparatus used to power drilling rigs, well head equipment, gas processing units, compressors or compressor stations, fractionating plants, or any other equipment or apparatus used directly or indirectly in the production, gathering, transportation, or processing of natural gas or natural gas liquids or associated products.

“Field gas” means natural gas or any derivative thereof, extracted from a production well, gathering system, pipeline, main, or transmission line that is used as motor fuel to power field equipment. The term “field gas” does not include compressed natural gas, liquefied natural gas, liquefied petroleum gas, or conventional motor fuels, as listed in this notice.

“GGE” means gasoline gallon equivalent.

“Natural gas” means a mixture of hydrocarbons (e.g., methane, ethane, or propane), produced in geological formations beneath the Earth’s surface that maintains a gaseous state at standard atmospheric temperatures and pressure under ordinary conditions, composed of at least 70 percent methane by volume.

Table 2: Motor Fuel Excise Tax Rates for January 1, 2026, to December 31, 2026

| Motor Fuel | Flat Rate Tax | Variable Rate Tax | Combined Rate |
|--------------------------------------------|----------------------------------|-------------------------------|-------------------------------|
| Conventional Motor Fuels* | \$0.205 per gallon | \$0.152 per gallon | \$0.357 per gallon |
| Compressed Natural Gas (CNG) | \$1.618 per 1,000 cubic feet | \$0.331 per 1,000 cubic feet | \$1.949 per 1,000 cubic feet |
| Compressed Natural Gas (CNG) – GGE Measure | \$0.205 per 126.67 cubic feet | \$0.042 per 126.67 cubic feet | \$0.247 per 126.67 cubic feet |
| Liquefied Natural Gas (LNG) | \$0.132 per gallon | \$0.027 per gallon | \$0.159 per gallon |
| Liquefied Petroleum Gas (LPG or Propane) | \$0.150 per gallon | \$0.044 per gallon | \$0.194 per gallon |
| Field Gas | Exempt per W.Va. Code §11-14C-9a | | |

* Conventional Motor Fuels include Gasoline, Diesel, Kerosene, etc. unless otherwise noted.

Table 3: Comparison of Motor Fuel Excise Tax Rates 2025 and 2026

| Motor Fuel | 2025 | 2026 |
|--------------------------------------------|----------------------------------|-------------------------------|
| Conventional Motor Fuels* | \$0.357 per gallon | \$0.357 per gallon |
| Compressed Natural Gas (CNG) | \$1.918 per 1,000 cubic feet | \$1.949 per 1,000 cubic feet |
| Compressed Natural Gas (CNG) – GGE Measure | \$0.243 per 126.67 cubic feet | \$0.247 per 126.67 cubic feet |
| Liquefied Natural Gas (LNG) | \$0.156 per gallon | \$0.159 per gallon |
| Liquefied Petroleum Gas (LPG or Propane) | \$0.195 per gallon | \$0.194 per gallon |
| Field Gas | Exempt per W.Va. Code §11-14C-9a | |

Notice of this determination will be filed in the West Virginia Register.

Issued: December 17, 2025


 Matthew Irby
 State Tax Commissioner